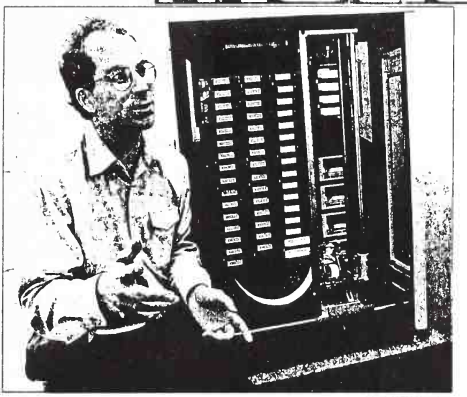
BUSINESS WITH Computers & Technology

Alameda Newspaper Group

Section D Sunday October 6, 1996

Excursions into the Digital Domain

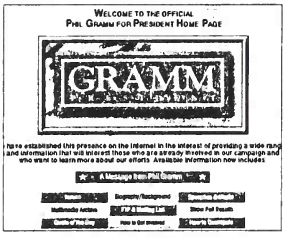
Modern history



RON RIESTERER — Staff

Byte by byte, a San Francisco group is attempting to archive the ever-changing and expanding Internet

Brewster Kahle, pictured above, is hoping to create a database that would archive Web pages that are no longer in use, such as the *Phil Gramm for President* home page at right, for future reference by students and historians.



"We're creating a backup of the Net, a library of everybody's notes, a big repository to help people ask questions of what has gone on."

– Brewster Kahle

By Matt Richtel
STAFF WRITER

SAN FRANCISCO — Portions of the Internet are disappearing before our very eyes.

As quickly as information is added, pieces are eliminated. World Wide Web pages and newsgroups appear, then are modified or deleted altogether.

Enter Brewster Kahle, a wide-eyed entrepreneur from the Massachusetts Institute of Technology with an ambitious goal: to archive the entirety of the Internet. He is intent on capturing the Internet's early days — and many days thereafter — for posterity. And eventually for profit.

Kahle imagines the database, which ultimately could dwarf the Library of Congress, will be of use to students, scholars, historians — and for ends he readily admits he hasn't quite figured out. The only thing he is certain of is that an essential piece of digital history is slipping away.

"When something on the Net disappears, it's gone. When a first-generation Web page is gone, it's gone. Gone, gone, gone," Kahle said. "We're creating a backup of the Net, a library of everybody's notes, a big repository to help people ask questions of what has gone on."

The Internet Archive may eventually hold as much data as the Library of Congress, but it certainly won't take up as much space. For the time being, the data will not even fill a coat room in the two-story white Victorian in San Francisco's Presidio that the Internet Archives calls home.

Kahle and his staff are collecting massive chunks of the Internet on tapes no larger than video cassettes. One tape holds between 35 and 70 gigabytes of information, 700 times more than a standard Zip drive used to back up the hard drive of a personal computer. A waist high, 3-foot wide "tape robot" holds 50 tapes that can record roughly two terabytes of information, one-tenth the text volume of the Library of Congress.

Space concerns are far from Kahle's biggest challenge, however. The major hurdles — very basic ones that the Internet Archives has yet to overcome — are how exactly to collect the data, and how to store it in such a way that it is readily accessible.

They must also determine how often they will have to comb the Internet. A 1992 University of Colorado study found that the average Web page changes every 44 days. Preliminary research by the Internet

Please see History, D-4

History: Group compiling record of Internet's early years

Continued from D-1

Archive showed that within a month, one-fourth of the images on the Internet changed.

"It's like calling all your friends, asking what books they have, borrowing them, copying them and then giving them back," said Z Smith, director of engineering for the Archive, describing the breadth of the task.

"Then the challenge is to work this so that everyone can get what they want, when they want it," Smith added. "Can you imagine what you have to do when a million people all want access to a dead file?"

Kahle intends the archive to include four public Internet protocols: the Web, Gopher, FTP and Netnews. He figures they presently account for 10 terabytes of data.

For now, Kahle is relying on donations of data to lay the foundation for his 6-month-old endeavor. For instance, the search engine Open Text has contributed its own snapshots of the Web from July and August of 1996.

The archive has received CD-ROMs that contain Usenet postings from 1992 and part of 1993 and there are plans to get similar postings from 1980 to 1990. Kahle is working with the San Diego Supercomputer Center to record seven terabytes of historical data from the File Transfer Protocol.

The Web is the fastest growing piece and one that the Internet Archives intends to capture on its own. It is developing a crawler, much like those used by search engines such as Alta Vista, to comb the Web and detect and record changes to pages.

One practical use for the archive is already under way. Kahle is working with the Smithsonian's National Museum of American History to preserve Web pages relating to the 1996 presidential election. The pages already on display include some that have been deleted from the Web, such as the Iowa Caucus home page.

Harry Rubenstein, a specialist in political history at the National Museum of American History, said the archive is significant because it will capture the infancy of the Web. He cautioned, however, that it could turn out the Web does not live up to expectations as the Internet medium of the future.

"It's sort of a gamble," Rubenstein said. "It's a great project and I'm glad somebody is doing it. But how it all turns out we won't know for another decade."

Given their own histories, Kahle and engineer Smith may be up to the challenge and entrepreneurial uncertainty. Kahle was the creator of WAIS, or Wide Area Information Servers, one of the breakthrough search engines of the Internet. WAIS is used to search large databases and was widely used before the advent of the World Wide Web.

America Online paid $15 million in cash for WAIS last year, a chunk of which went to Kahle. He has invested $400,000 of his earnings in the Internet Archive, and thus far is the organization's sole source of financial support.

Smith came from Xerox Palo Alto Research Center, where he was an engineer. There, he helped develop the first desktop fax/scanner/copier from discarded parts.

Joining Kahle in founding Internet Archive is Bruce Gilliat, the former business manager from WAIS. Gilliat was credited with helping turn Kahle's ideas into tangible, profitable concepts.

Smith and Kahle have a history together as well. The were colleagues in the early 1980s at MIT. They met as fellow members of the staff of Link, a student newspaper bent on undoing the Reagan-era military industrial complex and finding more productive uses for the technology.

Smith said the 35-year-old Kahle seeks to "be wacky" and to have fun at all times. "When one sees Brewster, one is reminded that human evolution is the process of making childhood last longer and longer," Smith said.

One indication of Kahle's style is his taste in offices. Thinking Machines, a multimillion-dollar supercomputer business he helped found after graduating from MIT, was housed in a Victorian house. So was WAIS in Menlo Park, and Internet Archives in the Presidio.

"It sets a tone that we're a family," said Kahle.

Ultimately, Kahle expects Internet Archive to turn a profit, and potentially a big one. Here's how: He thinks people may pay for access to records, and he also thinks corporations will pay for technology that helps them create their own backup systems of their data.

For the time being, he's happy to create a history of the early Internet before it disappears. So what does he think the historians will find when they examine these ephemeral pages?

"This period of the Web is encompassing people's dreams of a new technology," he said. "We see ideas of a better life, thoughts like, 'my book will finally get published on the Net,' or 'I may finally get enough attention to get a record.'

"Then it will move into a mature phase and find it's niche," he added. "But by then this will be the 'early Web' and we don't want to lose it."

Digitized by the Internet Archive
in 2013

http://archive.org/details/technicalarticle19unse

Slate feeds the mind, Virtual Vineyards feeds the body
Virtual Vineyards
RETURN TO the compost

high concept

The Art of Losing

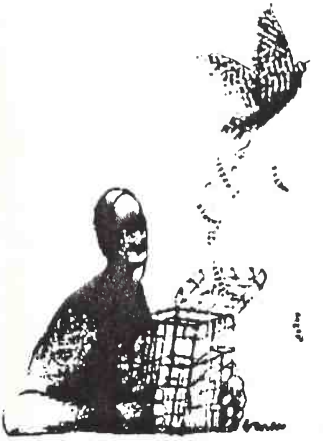
Why forgetting everything that ever appeared on the Web wouldn't be a disaster.

BY DAVID BERREBY

(1,323 words; posted Monday, July 15; to be composted Tuesday, July 23)

No writer has captured the strangeness and melancholy of life on the Internet better than Jorge Luis Borges. In stories written decades before the Net was conceivable, he wrote of a book that contained all possible outcomes of any action ("The Garden of Forking Paths"), a library that contains all possible books ("The Library at Babel"), a man who cannot forget a single thing he's ever seen or heard ("Funes the Memorious"), a map so accurate that it completely covers the kingdom it describes ("Of Exactitude in Science"), and a country where there is no plagiarism, because all books are considered the work of a single author, who is everyone ("Tlon, Uqbar, Orbis Tertius"). In all these works, along with the philosophical ingenuity and wit is an almost suffocating sense of being trapped under glass in an intellectual hothouse with no way out into the sun. Funes dies at 19, seemingly as old as a pyramid. The librarians of Babel have their ranks thinned by illness and suicide.

ranks thinned by illness and suicide.



Brewster Kahle has been reading Borges of late, which is appropriate, because last March, Kahle started a project that could, if taken to its logical extreme, make the world a more Borgesian place. Kahle heads a nonprofit organization called the Internet Archive. Its mission: to preserve every last bit ever posted on the World Wide Web, in Internet newsgroups, or made available through gophers. "A copy of every bit will be maintained by a charitable trust, funded to a level that assures that the bits will never die," he says. "Which means that every 10 years or so we'll have to translate it all into a new format, to preserve it in accessible form." Doing so, he says, is surprisingly practical and cheap. The entire Internet, all its text and video and audio, takes up from one to 10 terabytes of code. (A terabyte is a million megabytes, which would fit on 2,000 500 MB hard drives.) That means even the biggest estimates on the size of the Net make it equivalent to 10 large Blockbuster franchises.

If someone doesn't preserve the Internet, Kahle says, it will be lost to posterity forever: "There needs to be an accumulation for future historians." Right now he's working with the Smithsonian on a project to preserve election-related Web pages, so that they can take their rightful place among the memorabilia of the 1996 race in the museum's exhibit this winter.

The thought of capturing all this useful information for future scholars is appealing, at least at first glance. The ancient Romans didn't care what kind of graffiti people scratched into the walls of the red-light district, but those scratchings ("Sabinus was here with Primagenia") are now part of the scholarly Corpus Inscriptionum Latinarum. But with Borges in mind, I can't really wish Kahle good luck and baud speed.

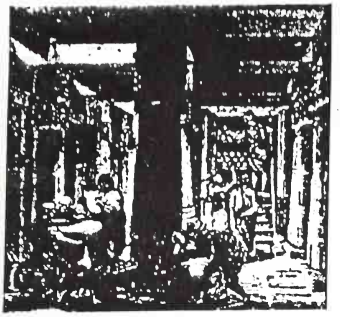
My problem is not with posterity, which is welcome to as many teen-agers' Web sites as it wants ("I now have a band!!! They are really good and I am very happy!" is what I read on one just the other day). The problem is that an Internet archive will be available not just to our distant descendants but to us, and if we're not careful, we'll use it. Think about it: The most embarrassing e-mail you ever wrote, available to anyone curious enough to go looking. You want to write a song full of ingenious rhymes for "orange"? A click can tell you it's been done 11 times already. Your boss wants to know if you called the client exactly at 10 last Tuesday. Prefer not to remember? Too bad, it can be checked.

Personally, all this stuff would drive me crazy. "Me too," replies Nathan Myhrvold, a Microsoft executive who lately has been championing the idea of an archive. "But I suspect we're going to have to get used to it--the trend is all but inevitable." "It scares me too," says Kahle. "One of the nice things about humans is that we die. We don't have our grandparents hanging around over our shoulders. Every so often you go through and burn the libraries, just to rid yourself of the past so you can go forward." Many a physicist, chemist, and biologist over the past three centuries has wished that Aristotle's precious works on science had been preserved a little less well, because whatever Aristotle got wrong about planets and plants, motions and animals had to be cleared away by tremendous and sometimes dangerous effort. Undue reverence of Aristotle ruined Galileo's career and nearly cost him his life. In China, imperial officials were trained to pass rigorous exams in the Confucian classics; as a consequence, they looked down on trade, practical work, and foreigners. The outcome was not good.

It wasn't just that Aristotle or Confucius were out of date at this point or that. The sheer volume of work preserved in libraries made people hold what the 17th-century English poet and botanist Abraham Cowley called the "pernicious opinion" that "all things to be searched in nature had already been found and discovered by the ancients." (His contemporary Henry Power wrote: "Me-thinks I see how all the old rubbish must be thrown away.")

The ill-effects of perfect records are already upon us. Take the *Brady Bunch* movies. Audio and video archives make all the bad songs and TV shows and outfits of the last three decades available, and so pop culture in the '90s is an uneasy mix of ironic quotation and frank nostalgia for stuff whose only merit is, hey, I watched that show when I was a kid. Teen-agers dressed like hippies from a time before they were born can sit before a TV whose ads and programs are full of references to old TV shows, and see a clip about the making of a movie version of *The Flintstones* (itself a lousy copy of *The Honeymooners*).

If culture seems too remote a thing to worry about, consider the prospect in personal terms. I was once in a relationship in which two or even three e-mails a day weren't out of the ordinary. It was the best-documented liaison I was ever in, and the fights in it were the worst I've ever experienced. This is not a coincidence. With all that documentation establishing who'd done and said what, we had no freedom to reinvent the past according to the emotions of the present. We had no wiggle room. Exhausted, we broke up.



You might reply that much of human endeavor throughout history has been the struggle to preserve the past from the all-destroying fire of time. But what makes a vibrant culture or inner life possible is the fact that neither the past nor the fire ever completely triumphs. As Tom Stoppard puts it in *Arcadia*, a play that meditates beautifully on the counterpoint of saving and losing, "It's wanting to know that makes us matter. If the answers are in the back of the book I can wait, but what a drag." Another character, a chaos theorist, chimes in: "It's the best possible time to be alive, when almost everything you thought you knew is wrong."

"I think that we will learn ways to forget information, even if it's in digitally accessible form," says Kahle, reassuringly. "When we went from an oral culture to writing, people complained that people wouldn't remember as well and wouldn't speak as well, because they'd have writing as a crutch. And then when printing superseded writing, people worried about being inundated with trash. We're in the middle of one of these transitions."

Sensible enough. And in that coming debate, I know where I stand: In the party of forgetfulness. I don't want to live in a museum. As we're encouraged to exult over the vast new volumes of information that are becoming easier and easier to capture, remember that the art of losing is also important to master.

Links

Reflect on Borges' visions of a fully archived world at The Garden of Forking Paths, a site devoted to the writer. Or learn more about Kahle's potentially Borgesian project at the Internet Archive. (If the project succeeds, every teen-ager's Web site will be available for all eternity. Reflect on *that* at "NeWen Home Page.")

David Berreby writes about science and culture for the New York Times Magazine, Lingua Franca, *the* Sciences, *and the* New Republic.

Illustration by Horacio Cardo

Previous High Concept columns

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...TEMBER 22, 1996 The Washington Post

BUSINESS

In California, Creating a Web of the Past

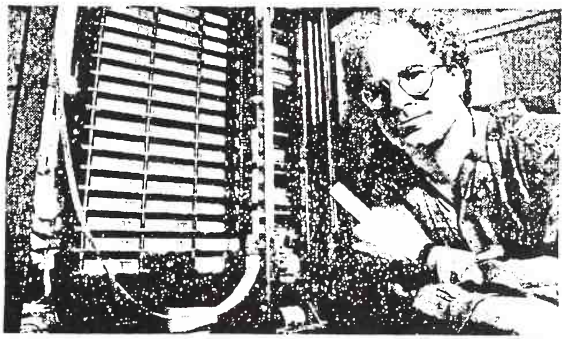
Scientist-Entrepreneur Is Trying to Record Internet's Evolution

By Rajiv Chandrasekaran
Washington Post Staff Writer

SAN FRANCISCO—Brewster Kahle thinks the Internet is history.

Three months ago, the 35-year-old computer scientist and millionaire entrepreneur embarked on an ambitious project to record what's happening in cyberspace before the electronic record is lost. He hired a few assistants, bought a bunch of massive data-collection devices and programmed several computers to surf—and save—everything they could find on the global computer network.

By the end of the year Kahle hopes to have an unprecedented permanent record of all publicly accessible data on the fast-growing, ever-changing Internet, whether it's neighborhood home pages on the graphically oriented World Wide Web or foreign-language "newsgroup" postings about African culture. His gigantic archive, industry experts said, could be a treasure trove to scholars and analysts.



BY STEVE CASTILLO FOR THE WASHINGTON POST

"There's a real value in our early Internet history. ... We need to preserve our digital heritage."

— Brewster Kahle

"There's a real value in our early Internet history, which is being created now," said Kahle, whose endeavor is called the Internet Archives. "Nobody has taken this idea very seriously until now, but we need to preserve our digital heritage."

Located in a historic Spanish-style building overlooking the Golden Gate Bridge in this city's recently decommissioned Presidio Army base, the archive looks more like a gritty start-up software company than a repository of the world's digital history.

High-speed computers and robot-driven tape drives that each can hold 2 terabytes, which translates into 2 million megabytes of data, sit on mismatched office furniture.

So far the archive has collected almost half a terabyte—half a trillion characters—of data. Kahle estimates the entire Internet contains from 2 terabytes to 10 terabytes. A typical public library with 300,000 books, by comparison, has about 3 terabytes of data.

Belying the perception of the Internet as a limitless cistern of information, Kahle and others said that reams of data on the network are changed or deleted every day, often to make room for new material. Most newsgroup postings, for example, vanish after about a week. On the Web, sites appear and disappear with the speed

See INTERNET, H14, Col. 1

A Year in the Life of the Internet

INTERNET, From H1

of fashion trends. Some Web pages are revised every few months to add ever-fancier graphics, sounds and video clips, with little record kept of the previous, more primitive incarnations.

A University of Colorado study published in 1992, when content on the Internet was far less dynamic, found that the average life of a document on the network was only 44 days. "Today those lifetimes are undoubtedly getting smaller and smaller," said the study's author, Michael F. Schwartz, an associate professor of computer science at the university.

While Kahle acknowledges that he won't be able to keep up with every change, he hopes to establish a snapshot of what the Internet looks like at the end of this year that then will be updated as fast as his computers can do their vacuum cleaning, likely every few months.

"When do different ethnic groups or special interests or certain businesses become a presence on the Net?" said Kahle, 35, a founder of Thinking Machines Corp., a Massachusetts company that at one time designed powerful supercomputers. "The Internet today is really different than it was a year ago, and we have no good data on what it looked like back then."

Stirring Interest, Concerns

Just a few months old, Kahle's work already has attracted the attention of those at the forefront of the digital revolution. Researchers from AT&T Corp. and Xerox Corp. have approached Kahle with requests to study the archive.

"It's extremely ambitious, but a great idea," said Donald Heath, president of the Internet Society in Reston. "We don't know where this Internet is going, and once we get there it will be very instructive to look back."

But the project also has piqued the interest of privacy rights advocates and copyright lawyers, who question how the archive will use its data. Will the archive continue to offer revealing personal home pages long after an author has decided to pull the plug on them? Will saving the files that formed corporate Web sites violate copyright laws?

"It raises some very interesting questions," said Marc Rotenberg, director of the Electronic Privacy Information Center, a Washington advocacy group. "It can't be the case that every time someone uses the Internet they have given up control of personal information absolutely and for all purposes."

Kahle said he has not yet decided how he will make the not-for-profit archive available to the public. He suggested his data may be handled like census data—aggregate information is made public, but specific information about individuals is kept confidential.

"I'm dealing with every single intellectual property issue out there," he said. "Privacy, copyright, pornography, import-export—we've got it all."

Kahle said he also is accepting outside help in creating the archive. He recently has been trying to obtain tapes of 1980s-vintage newsgroup postings from a University of Toronto administrator.

A Smithsonian Link

The archives have been working with the Smithsonian Institution since February to collect World Wide Web sites dealing with this year's presidential election. Part of that collection now is available on the Web at **http://www.archive.org** and includes copies of sites such as the Phil Gramm for President home page, which no longer is directly accessible. The collaboration with the Smithsonian will result in an exhibit next year about the Web's impact on the 1996 election at the National Museum of American History.

Kahle, who left Thinking Machines in 1992 to start an Internet publishing company called WAIS Inc.—it was sold to America Online Inc. of Dulles last year for about $15 million—thus far has personally bankrolled the entire eight-employee archive project, to the tune of $400,000.

While Kahle said he intends to keep the archives nonprofit, possibly joining with a large research library in the future, he is forming a for-profit venture that will sell the Web searching and storing technology developed at the archives. "We're developing some very exciting products to manage massive amounts of data," he said.

But Kahle insists his primary interest these days is the archiving project, of which he speaks with a boyish enthusiasm.

"There's something very exciting going on here," he said. "Nobody recorded television in its early days. I don't want to see that happen with the Internet."

FOR MORE INFORMATION

To post on-line questions for the archive's organizers, and to track how many Web pages have been stored, click on the above symbol on the front page of The Post's site on the World Wide Web at http://www.washingtonpost.com

BREWSTER KURTON KAHLE

IN PROFILE

- **Age:** 35
- **Education:** Bachelor of science, from Massachusetts Institute of Technology, 1982
- **Career highlights:** Current – president and founder of Internet Archive
  1992-95 – Founder and president of Wide Area Information Servers Inc.
  1983-92 – Cofounder and scientist, Thinking Machines Corp.
- **Family:** wife, Mary; son, Calson, 2
- **Home:** San Francisco
- **Last book read:** "The Discoverers" by Daniel Boorstin.
- **Last movie seen:** "City of Lost Children"
- **Favorite Web site:** *www.ffly.com*, a free software agent
- How long does he spend in front of a computer each day: "How long am I awake?" About nine hours.

PHOTO BY STEVE CAST FOR THE WASHINGTON POST

THE SAN FRANCISCO BAY FREE

GUARDIAN

30th YEAR

THE BEST OF THE BAY...EVERY WEEK

JULY 31, 1996 ■ VOL. 30, NO. 44
WWW.SFBG.COM

THE NATION'S ORIGINAL

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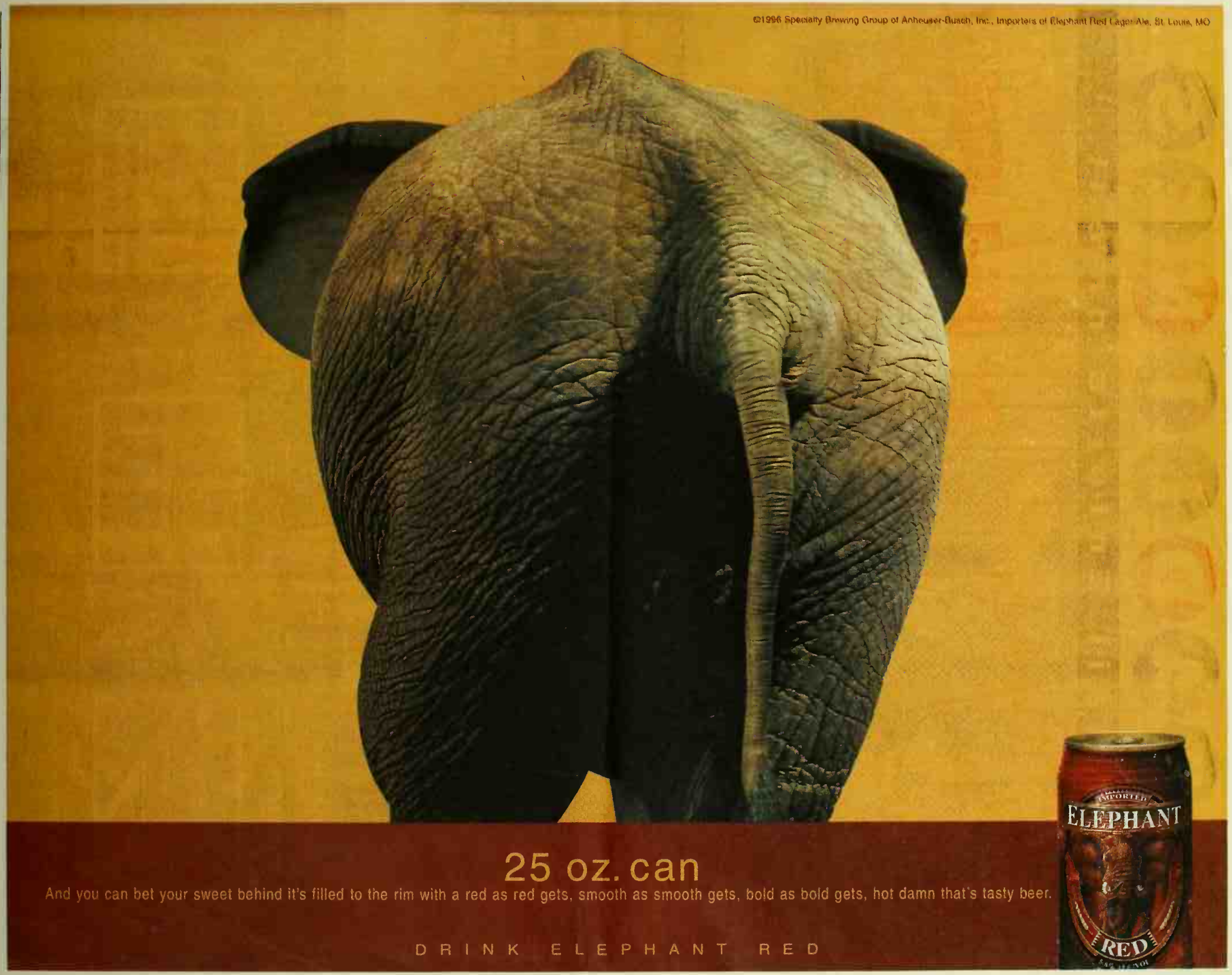

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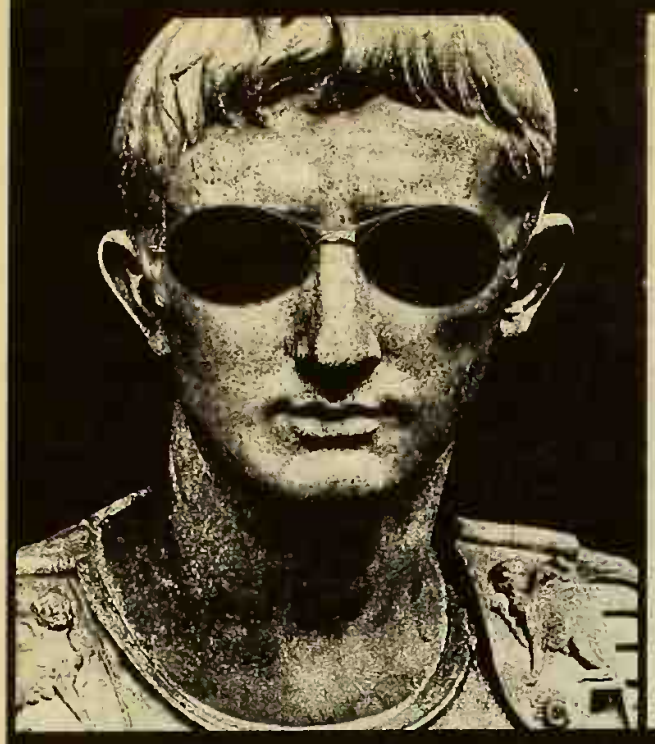

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BEST OF THE BAY

GUARDIAN PHOTO BY PHYLLIS CHRISTOPHER

The shape of things to come: *The best biscotti that gets round.* *See page 23.*

I grew up in Cheyenne, Wyoming, spent seven years in New York City, then moved to San Francisco. I like to tell friends it's like Goldilocks and the three bears: One city was too little. One city was way too big. And one city, this one, seems to be just right.

It's just right for a lot of people. San Francisco has the best food, the best views, the best weather, the best culture, and yes, the best people too. So it's appropriate that San Francisco is where the Best Ofs originated.

It all started back in 1974, when *Esquire* magazine decided to do a feature on "the best of America" and asked *Bay Guardian* publisher Bruce B. Brugmann and the paper's staff to handle the San Francisco selections. We liked the idea so much we expanded on *Esquire*'s list and added many more of our own for a feature we called "The Best of San Francisco." And long after *Esquire* gave up the idea, we kept it going.

This year we've produced the largest Best of the Bay package in *Bay Guardian* history, with more than 200 people, places, and things that have earned the right to be called the Best. Almost 800 of our readers have chipped in, too, naming another 125 winners.

From the best Thai restaurant to the best place to buy obscure hot-rod literature, from the best place to buy a computer to the best place to engage in machine meditation, we're pleased to present the Best of the Bay, 1996.

Miriam Wolf

EDITORS' CHOICE

Food 15
Essay by Dan Leone 15
Best recovery from a fire-truck collision 17
Best mole in the Mission 19
Best place to cook your own raw meat 19
Best way to get your five servings of fruits and vegetables 19
Best cheese collective 19
Best new trend in meatless dining 19
Best DIY bar food 19
Best pakoras 20
Best place for chips and salsa al fresco 20
Best cheap breakfast spot that will serve you a stiff drink 20
Best after-work nosh for power types 20
Best best-kept restaurant secret 20
Best new shape for biscotti 23
Best upscale truck stop 23
Best place to shop for magazines while caffeinating 23
Best fake American food 23
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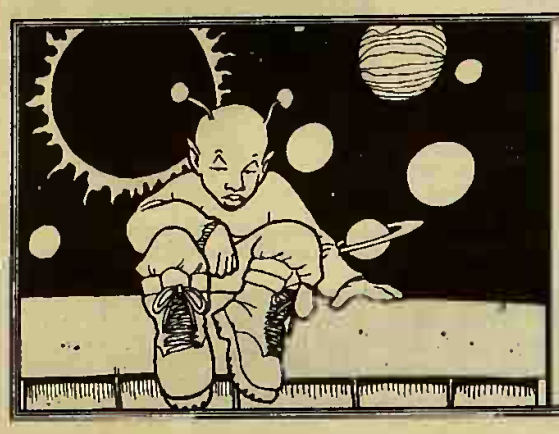

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BEST OF THE BAY

GUARDIAN PHOTO BY GREGORY FLEISCHER

Blonds have more fun: *Celebrity guest Cockatelia struts her stuff at Trannyshack, the Best Place at Which to Rediscover Pat Benatar.*

ENTERTAINMENT *from page 48*

and Alley Club, 1190 Folsom, S.F. (415) 431-3332; Baby Judy's, Wednesday nights, Casanova Lounge, 527 Valencia, S.F. (415) 863-9328.

Best club at which to rediscover Pat Benatar

Though the Pat Benatar lip-synching night was reserved for **Trannyshack** hostess Heklina's birthday party, this glittering haven for cross-dressers always has room for the faded glory of new wave divas. The drag at the Tuesday-night glamour hut that is Trannyshack veers toward the freaky and conceptual, with performers of all persuasions giving it their twisted all to hit the audience with their best shots. The drink specials and celebrity cohostesses enhance the glamour. *399 Ninth St., S.F. (415) 252-STUD.*

Best place to watch Hong Kong movies

Now this is a tough call. If you're a Hong Kong movie neophyte, your best bet is probably the ongoing series at the UC Theatre, which culls select favorites from Hong Kong cinema's recent history. You could also attend one of the minifestivals that pop up periodically around the Bay Area or rent and watch some films on your own home-theater setup. (You do have one, don't you?) On the other hand, nothing beats a night of double-feature madness at the **Great Star Theater,** one of the two remaining first-run theaters in Chinatown, the other being the venerable World Theater. Choosing between the two is really a matter of what movie you want to see, but for sheer cavernous atmosphere, rows dotted with necking teenagers, and occasional cell-phone conversations, the Great Star provides the complete package. They don't make 'em like this anymore. *636 Jackson, S.F. (415) 982-6645.*

Best lesbian bar for everybody

As co-owner Pat Ramseyer's girlfriend, Shelly, says, "This is an everyone bar." And labels aside, **Wild Side West** is a great neighborhood bar for just that reason. Ramseyer originally opened the bar as the Wild Side in Oakland in the early '60s; it became the Wild Side West when she moved it to North Beach a few years later. In 1977, when Ramseyer teamed up with her business partner, Nancy White, the bar moved again, this time to Cortland Avenue in Bernal Heights, where it still rests. The Wild Side is a warm, down-to-earth place to go to enjoy drink, snacks, and good company. Bask in the sun out on the back deck and garden, or during colder weather, enjoy the warmth from the fireplace that stands in the center of the bar. *424 Cortland, S.F., (415) 647-3099.*

Best reason to name your child after a typesetting font

Just recently the **San Francisco Center for the Book** opened its doors to the public. Directors Mary Austin (a print historian who loves printmaking so much she named her son Caslon, after the type font), Kathleen Burch (a typographer who works with Burning Books and has collaborated on projects with John Cage), and Susan Landauer (an art historian) have creat-

ed a clean, well-lit space for book- and printmaking programs, exhibitions, and studio facilities. The center also has a resource library and offers workshops on experimental printmaking and book structure. So come on down and thumb your nose at all those folks who say the book is dead. *300 DeHaro, S.F. (415) 565-0545.*

Best place to experience graffiti as Neolithic cave art

Catch the K, L, or M lines heading downtown, take a window seat on the left side of the car (facing forward), and keep your eyes peeled. Just before pulling into the Castro Street station the train will pass through the remains of the **old Muni Market Street station,** which still boasts a bench or two and some fine samples of local graffiti art, such as those whacked, big-eyed 'toon characters and mysterious, elegant horses. Illuminated by the gated-over exit where the track once led to the outside, the old station exudes the haunted, romantic ambience of a place time forgot. Many regular commuters seem to look forward to this subterranean view—glance around you and you'll see lots of faces peering out the grubby windows. It's an urban ritual par excellence.

Best place to hear street music in Golden Gate Park

Just ask Paul, the psychologist–jazz saxophonist in the pinstripe shirt, or his buddy Sid, the architect–jazz guitarist, where the best spot is to hear locals blow some soulful notes. They'll tell you what all the musicians know: it's **in front of the Conservatory of Flowers** when someone is playing in the tunnel under JFK Drive. That tunnel offers the best acoustics in the city. And in the summertime, when tourists flock to the conservatory's front yard and Rollerbladers zip overhead, musicians have an instant audience. Short Corinthian columns adorn the tunnel's north and south entrances and add an artful atmosphere, as do the conservatory's landscaping and flower beds. "Some guys have to rent [practice] space," Paul says. "Me? I leave my horn in the trunk and come here on my lunch break. This is the place." Check it out any weekday afternoon, and weekends starting at around noon. The music ranges from airy jazz and rhapsodic violin concertos to rhythmic steel drums and hard-driving guitar.

Best Sunday brunch

If a pint of Guinness is a meal, then a Sunday afternoon **Bloody Mary at the DeLuxe Club** is brunch in a glass. Chock full of tasty veggies, these Bloody Marys are spiked with judicious amounts of horseradish and Tabasco and often are served up by Vice Grip, of the local swing scene. Although the regulars, in their vintage duds, are usually holding court at the front tables, formal dress is not required and seating is usually available. The atmosphere is more relaxed on Sunday afternoons than on Friday or Saturday nights, which tend to be loud and crowded, with swing dancers and enthusiasts packing the floor for the live music. If you're lucky you can grab one of the coveted booths. *1511 Haight, S.F. (415) 552-6949.*

Best art on the wall and in your mouth

The art at Swiss entrepreneur Donald Hess's stunningly remodeled 93-year-old Napa Valley **Hess Collection Winery** isn't just the award-winning wines. It's also the contemporary paintings and sculptures by artists such as Frank Stella, Robert Motherwell, Theodoros Stamos, and Bruce Robbins that can be found in the winery's three-story art gallery. Take the glassed-in elevator to the top floor and work your way down. Don't miss the stunning, brilliantly executed painting by noted German artist Gerhard Richter, an enormous work that explodes with color and vitality. When you're finished repair to the cozy tasting room and give your taste buds a treat. *4411 Redwood, Napa. (707) 255-1144.*

Continued on page 52

WHY IS THE ONE JERK IN THE MOVIE THEATER ALWAYS SITTING NEXT TO YOU?

It's about as inevitable as it gets. The lights dim, the credits roll, and Chester over there starts talking to his girlfriend, or crunching up his candy wrapper, or kicking your chair, or talking back to the screen. Who is this guy and why is he always at the same movie you are? Our solution: fake him out. Wait in line at the theater and just as it's your turn to buy a ticket, duck out and go buy some Amstel Light, the imported light beer with the crisp, full-bodied taste, rent a video and head on home. Then let your neighbor complain about all the noise you're making.

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BEST OF THE BAY

ENTERTAINMENT *from page 51*

Best airport bar

Airports are generally rotten places to drink. The cocktails are overpriced and weak, the ambience is crowded-waiting-room chic, and the help is slow and surly. But not at the **Crab Pot,** which is tucked between the bookstore and gates 68 and 69 in the United terminal at SFO. The place serves local brewpub beer and decent clam chowder at tolerable prices, but more important, the waiters and bartenders are actually friendly. And several times a day they all drop everything, put "Surfin' USA," on the jukebox, crank up the volume, and dance on their service trays, sliding around and hanging 10 while out-of-town visitors shake their heads in wonder. *United terminal, San Francisco International Airport.*

Best place to hear bagpipe music and indie rock, and get a dose of Scottish culture

That pretty much sums up the appeal of **Edinburgh Castle,** a perennial *Bay Guardian* Best Of winner on Geary Boulevard in the Tenderloin. The fish and chips come wrapped in newsprint, just like in jolly old England. From Wednesday to Saturday there's live music on the second floor. (Booker Ray Wilcox has featured emerging indie talents such as Actionslacks, Vegas de Milo, Vinyl Devotion, and J Church.) Also the home of the Scottish Cultural Arts Foundation, Edinburgh Castle occasionally has a bagpiper perform, for an authentic Scottish vibe. Various items on the walls also celebrate the Scottish-culture theme: check out the caber mounted on one wall; in essence a giant log, it's a projectile to be hurled in Scottish contests of strength. For those odd sorts who don't fancy hurling logs, there's a pool table, two dart boards, and a pinball machine. *950 Geary, S.F. (415) 885-4074.*

Best way to see the Magic

It's late Friday afternoon, you're up to your elbows in paperwork, your head is swirling, and the phone is ringing. It's time to escape to the theater so all those workaday worries will slip away. But you've forgotten to make plans for the weekend and you don't even know what's playing. Luckily you've already invested in a **MagicPASS** for the Magic Theatre. Now you can just hop a cab down to Fort Mason and see a really hip, cool, arty play. The pass is one of the ways the Magic Theatre has made its plays accessible to even the least prescient theatergoer—you can choose which plays you want to see and when you want to see them. For $45 you can buy three passes so you can go to the theater three times by yourself or take two friends to one show. For $85 you get 6 passes, and for $110, eight. That's pretty cheap, considering that it usually costs as much as $24 for a single ticket on a weekend night. Then simply fly off to the theater on a moment's notice.

Here are two other Magic tricks: The last Thursday of the run of every play is "pay what you can" night—you pay whatever price you can afford. If you have a student ID, take advantage of the "student rush": an hour before any Magic play, rush up to the box office and buy a ticket for $7 (on Wednesdays, Thursdays, and Sundays) or $10 (on Fridays and Saturdays). The deal is subject to ticket availability, but odds are pretty good that you'll get a seat. All nighttime performances (except those on Sundays) start at 8:30 p.m.—late enough so that you can actually *make it* to the theater after work and a beer. The Magic has a hot calendar of new plays and theater works this year, so the passes are worth it. *For more information, call (415) 441-8822.*

Best shoe-gazing extravaganza

For a free and rockin' good time on weekend nights, shimmy on down to the corner of 22nd and Mission Streets. There, jamming al fresco, you will find the soon-to-be-infamous **Rube Waddell.** Named in honor of the alligator-wrestling, marble-playing patron saint of left-handed pitching, this band bridges the gap between rap and raga and plays the meanest one-string blues guitar this side of the moon. Armed with enough musical instruments to fill two shopping carts, Rube Waddell holds court most Fridays and Saturdays at around 10 p.m. Come see the best music this town has to offer and find out what Mack the Knife has to do with a shark attack. *Most Friday and Saturday nights, 10 p.m. or thereabouts, corner of Mission and 22nd Streets.*

CELEBRITY BESTS CHARLOTTE SWIG

Best place in the Mission to take visiting dignitaries

You wouldn't expect to see Charlotte Maillard Swig, San Francisco's chief of protocol, in a neighborhood without socialites, but Swig came up with enough places in this boho 'hood to prove once and for all that she's a homegirl. "**Mission Dolores** of course is the biggie, but there are so many wonderful places to take people in the Mission. There's the Galería de la Raza, which showcases Hispanic artists. La Rondalla has wonderful Mexican food and a Christmas decor all year long, and there's La Cumbre Taqueria. Young people like the Elbo Room and the Albion. Then there's Cesar's Latin Palace and a wonderful store called the Lady Luck Candle Shop. There are murals throughout the Mission that are culturally significant and colorful, and theaters like the York and Roxie are great places to take visitors who want a taste of San Francisco."

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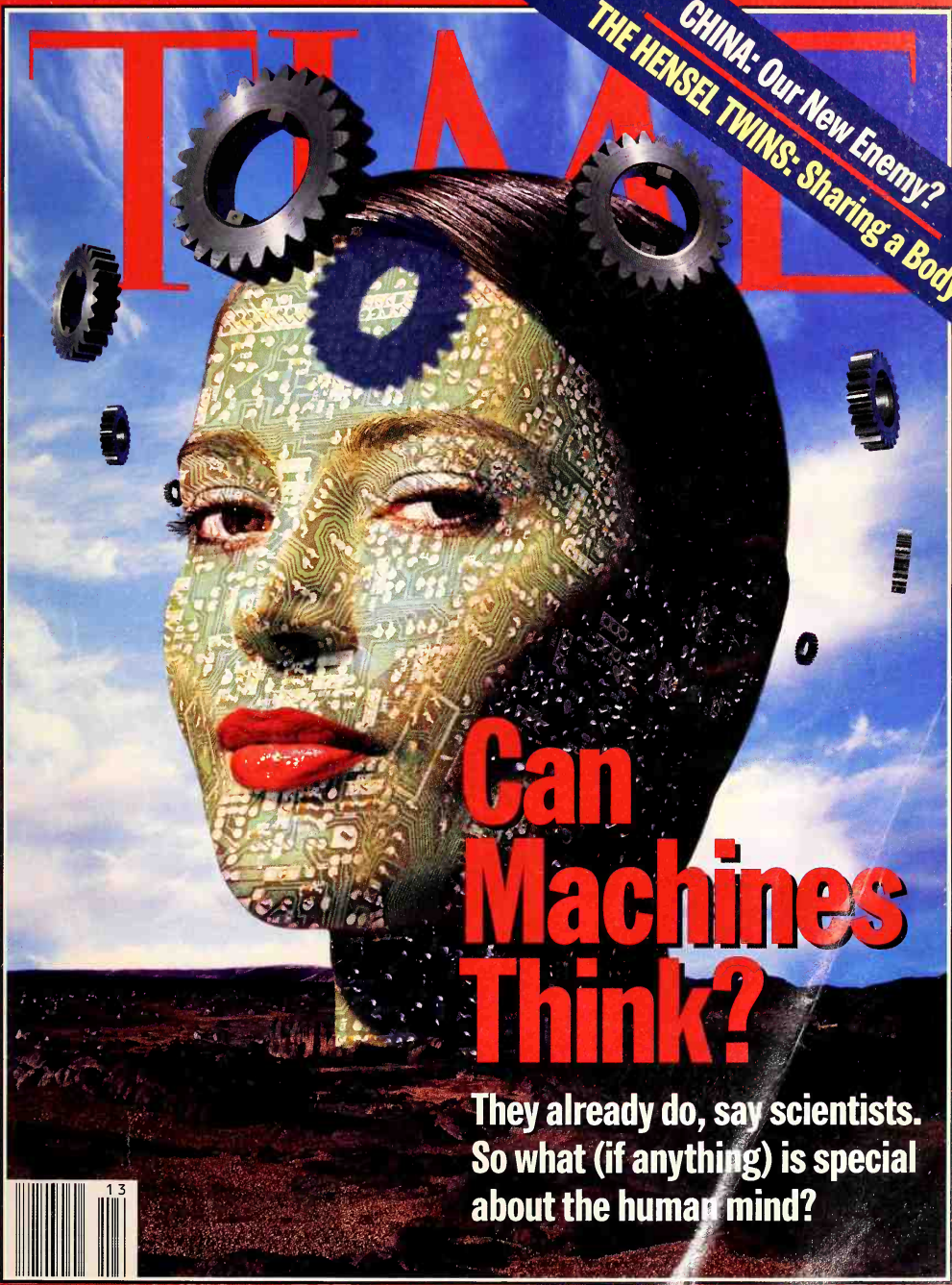

Can Machines Think?

They already do, say scientists. So what (if anything) is special about the human mind?

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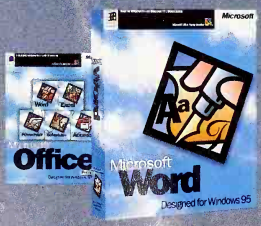

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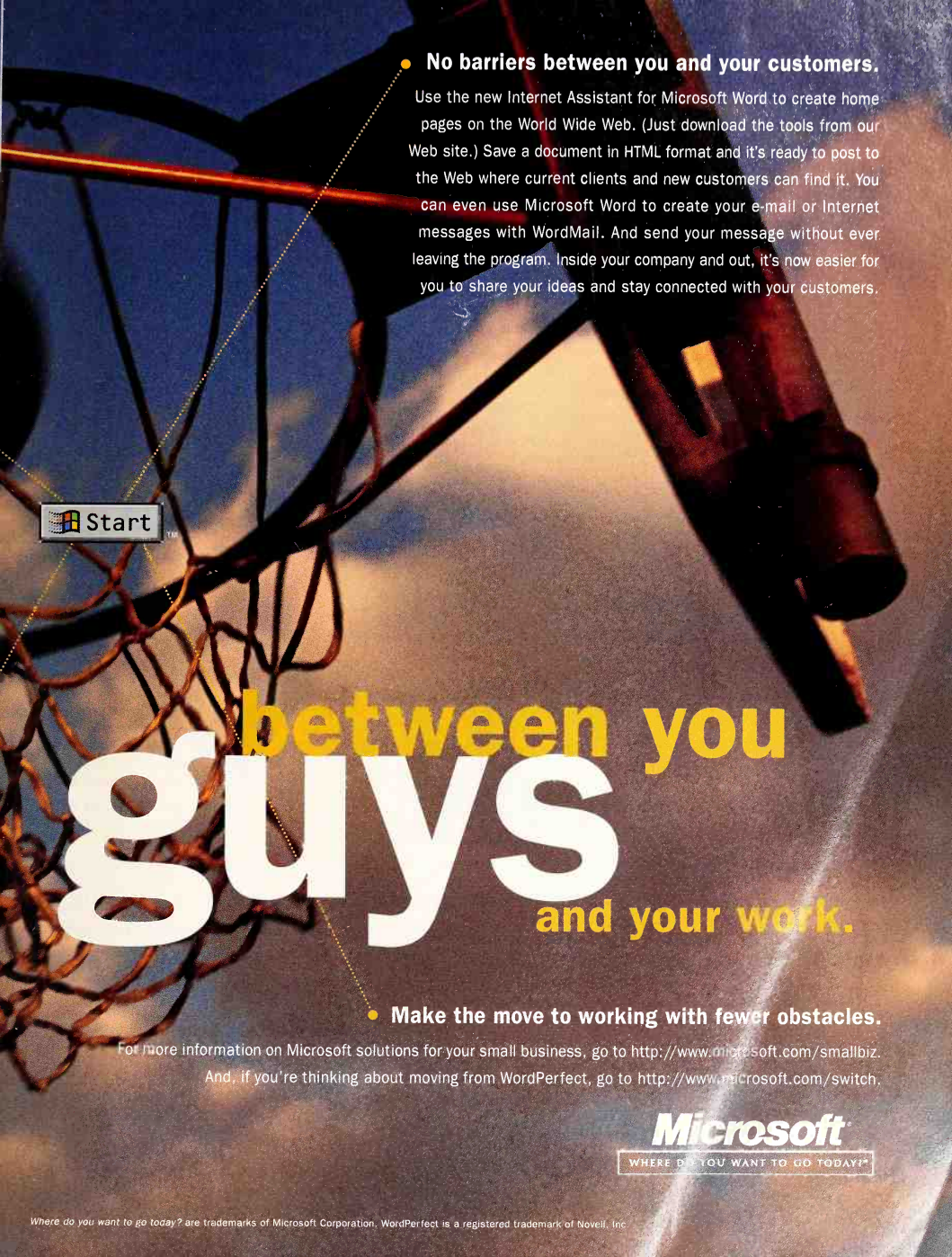
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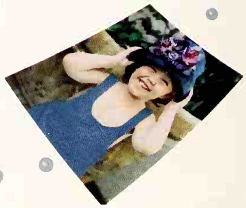

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The Dragon Wakes: China's challenge and how to deal with it (*see* WORLD)

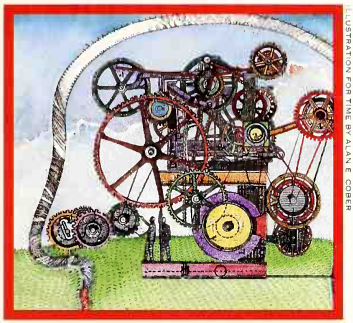

ILLUSTRATION FOR TIME BY ALAN E. COBER

The Mechanics of Thought: Is it humanly possible for the man-made to think? (*see* COVER)

RICK MAMAN—SYGMA

The Stones of Camelot: Jackie O's treasures on the block (*see* THE ARTS)

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CONTRIBUTORS

TERRY ASHE FOR TIME

ROBERT WRIGHT is accustomed to thinking of the human mind as an intricate machine. He has long been fascinated with evolutionary psychology—a field that views the brain as a mechanism built by the genes and shaped by natural selection—and has written extensively about it, both in his 1994 book, *The Moral Animal*, and in a TIME cover story last August, "Twentieth Century Blues." In this week's cover story, contributor Wright examines the philosophical questions raised by "artificial intelligences" such as Deep Blue, the chess-playing computer that nearly defeated the human world champion, Garry Kasparov. In addition, Kasparov writes about the moment during the match when he first sensed that he was in the presence of a real, albeit somewhat alien, intelligence.

MARIO RUIZ FOR TIME

CLAUDIA WALLIS certainly has plenty to do. The veteran TIME science writer is the mother of three and the managing editor of TIME FOR KIDS, which reaches nearly 800,000 fourth-, fifth- and sixth-graders each week. But she could not resist the opportunity to tell the remarkable story this week of Abigail and Brittany Hensel. "I had read LIFE magazine's cover story about the conjoined twins," she says, "and was moved to tears." Wallis teamed up with reporter Jen Doman, who befriended the Hensels last fall and secured exclusive rights to their story for LIFE. Says Wallis: "She did a remarkable job of documenting one family's efforts to build an ordinary and happy life for two children born under extraordinary circumstances."

TED THAI FOR TIME

BILL SAPORITO, TIME's new business editor, joins us from our sister publication FORTUNE, where he spent a decade writing about corporate takeovers and editing the magazine's Newstrends section. "The world of commerce has never been more complex, or more important, given our shared anxieties about layoffs and restructuring," says Saporito. At FORTUNE he loved the fast pace of Newstrends' late-breaking stories but not the magazine's fortnightly schedule. "It drove me crazy to sit there for a week and not be able to jump on a hot story," he says. Now, at this weekly newsmagazine, he gets to double his output and his pace, which is fine with him and with us too.

ASHE FOR TIME

KAREN TUMULTY learned two years ago that Tom Daschle is not entirely the mild, cautious politician he pretends to be. As a reporter for the Los Angeles *Times*, she spent several days with the U.S. Senator in his home state, South Dakota. Never an enthusiastic flyer, she was dismayed one foggy night to learn that Daschle had booked them onto a tiny airplane. Even worse, he let her know with a big grin that he planned to pilot the craft himself. This week the tables are turned. Daschle is Clinton's point man on Capitol Hill, and Tumulty is TIME's congressional correspondent—steering us through a bumpy presidential campaign that will be waged, by and large, inside the Beltway.

16 years from he'll be driving But here's why

He'll be using a Macintosh® personal computer because a Macintosh will be there for him to use.

He'll be using a Macintosh because no other computer in the world makes it so easy for people to learn and explore and discover. So it can help him from his first day of school to his last day of college and throughout the rest of his life.

And he'll be using a Macintosh because millions of people like Susan Kohler, a working mom from Reston, Virginia, simply wouldn't have it any other way.

"*Learning doesn't end at school,***"** Susan says. **"***With a Macintosh at home, my kids can do their homework and have fun doing it. And I can be involved in the experience. We love our Mac.***"**

With technology changing so quickly, it's only natural to wonder whether the computer you buy today will still be around tomorrow. That's why Apple has always designed Macintosh for tomorrow as well as today.

Only Macintosh makes it so easy to learn.

Macintosh was designed to be the perfect family computer: easy to set up, easy to learn, easy to use. And easy to afford.

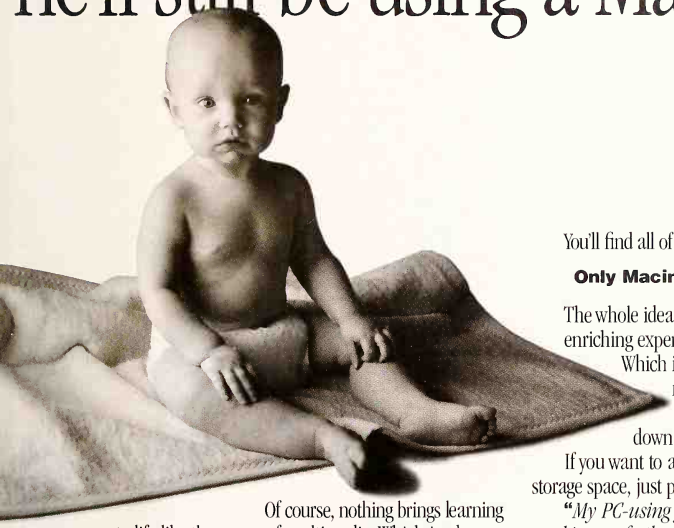
If you have children in school, chances are they're already using an Apple.® Because more schools use Apple than any other brand of computer.

In fact, of the 97% of U.S. school districts using computers, a full two-thirds use Apple computers – three times more than our nearest competitor.

More schools use Apple computers for multimedia. And more schools and universities use Apple computers for accessing the Internet. So bringing a Macintosh home means you're actually bringing learning home.

Monthly service provider fees for Internet access required. © 1996 Apple Computer, Inc. All rights reserved. Apple, the Appl

now, we can't be sure what car or what music he'll be listening to. he'll still be using a Macintosh.



Of course, nothing brings learning to life like the power of multimedia. Which is why no computer makes it easier for your family to experience and create multimedia than Macintosh – from building an interactive book report to editing the family video album.

And because it also comes with powerful software to access the Internet,* exploring cyberspace on a Mac™ is as easy as pointing and clicking. Opening up a whole new world of possibilities for you and your family.

Only Macintosh makes it so easy to explore.

The magic of a personal computer is that you can change what it does simply by changing the software.

With over 9,000 software titles now available for Macintosh, that means a Mac can become just about anything you want it to be. From a science lab to an artist's palette to a powerful financial management tool. And you can expect to see thousands more great titles coming in the future.

The latest multimedia entertainment titles. The most powerful business programs. The hottest games. The most popular home office programs. Educational software galore.

You'll find all of them – and more – available for the Macintosh.

Only Macintosh makes it so easy to grow.

The whole idea is to make owning a computer a satisfying, enriching experience – now, and for years to come.

Which is why Apple's unique plug-and-play philosophy makes it incredibly easy to add new capabilities to your Mac today, tomorrow and even years down the road.

If you want to add a printer, just plug it in. If you need more storage space, just plug in a hard drive. And so on.

"*My PC-using friends nearly croak when they see it all working perfectly. And no horror stories. I just plugged everything in,***"** says Charles Hoff, a father and Macintosh owner living in Thousand Oaks, California.

No other computer makes it this easy to grow when you do.

Only Macintosh is so well liked.

It all helps explain why Apple is one of the most recognized and loved brands in the world. Why brand loyalty to Apple is the highest in the industry. And why Apple ranks number one for reliability and service, requiring less customer support than any other computer.

In fact, 90% of Macintosh owners buy a Macintosh again when making a second purchase – the highest repurchase rate of any computer manufacturer.

With 56 million people around the world firmly committed to the Macintosh way of working, learning and playing, there's one thing you can always be confident of.

That Apple will continue to provide innovative tools and solutions designed to empower each and every member of your family.

Even those members yet to come.

Apple

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LETTERS

Blowing the Whistle on Nuclear Safety

"As long as we have to live with the threat of radioactive disaster, nuclear power must be made safe, whatever the cost."

Natalie Hildt
New London, Connecticut

YOUR ARTICLE ON NUCLEAR SAFETY WAS an eye-opener, and your effort to address a very serious problem is commendable [BUSINESS, March 4]. My heart goes out to George Betancourt, George Galatis and the gutsy engineers who fought the management of Northeast Utilities. Kudos to them for their selfless devotion. The role of the Nuclear Regulatory Commission should be investigated. Where can people go if the regulatory agency and utilities companies collude? How can we protect ourselves? It is time for a shake-up of the NRC.

Sudip Guharoy
Rancho Mirage, California

THE COURAGE OF WHISTLE-BLOWERS Galatis and Betancourt in fighting for quality and safety in the nuclear-power industry is inspiring. To the Georges, I say please don't give up—you belong with the true heroes of this country.

Allan Bazzoli
Mount Vernon, Ohio

PLACING THE MILLSTONE NUCLEAR PLANT on the NRC's watch list is a significant and serious matter, hardly a "wrist slap," as Galatis characterized it. Northeast Utilities has already undertaken aggressive steps to correct the situation, including a total reorganization of its nuclear group and the creation of a first-ever office of nuclear safety and oversight. We have pledged to go beyond the requirements of regulatory compliance to earn back the public trust and demonstrate our passion for safety. In the end, our business objectives can be met only after we first satisfy our safety goals and our employees' concerns.

Ted C. Feigenbaum, Executive Vice President and Chief Nuclear Officer
Northeast Utilities Service Co.
Hartford, Connecticut

YOUR ARTICLE INCLUDED ANALYSES FROM a Holtec consultant who reportedly predicted that a loss of primary cooling in a Millstone 1 fuel pool could result in a "slow boil." These analyses were made for a wholly artificial and improbable scenario of events. Pool temperatures in the real world seldom exceed lukewarm levels. The engineers, technicians and managers at Millstone have dedicated their careers to coaxing energy from the atom because they believe in the inherent safety and environmental benefits of nuclear power. They deserve your acclaim, not your scorn.

Kris P. Singh, President and CEO
Holtec International
Cherry Hill, New Jersey

Stephanopoulos on Whitewater Coverage

FOR YEARS I WANTED TO MAKE THE COVER OF TIME IN THE worst way. And I did. On April 4, 1994, there I was, in mug-shot gray, looking worried over President Clinton's shoulder in the Oval Office, underneath an accusing headline: DEEP WATER: HOW THE PRESIDENT'S MEN TRIED TO HINDER THE WHITEWATER INVESTIGATION. The story wasn't much prettier than the picture. The report, stocked with blind quotes, suggested I was steps away from the slammer because of the temper tantrum I threw when the law firm of Jay Stephens, a Republican former U.S. Attorney and an outspoken political opponent of the President, was hired by the Resolution Trust Corporation to investigate Whitewater. Two years later, nothing remains of the criminal charges leveled against me by anonymous sources in TIME except, of course, my yet-to-be paid legal bills. But Stephens stayed on the job. Two weeks ago his firm issued its final report to the Federal Deposit Insurance Corporation.

Here is what it found after reviewing all the available evidence, including the billing records discovered early in January: Not only is there "no reasonable basis" to pursue a claim against the Rose Law Firm, but neither Hillary Clinton nor the Rose firm "knowingly aided and abetted a fraud." The report concluded that Mrs. Clinton's share of the Rose firm's income from Madison Guaranty Trust was "trivial ... less than $20 a month," and that the 1988 decision by the Rose firm to discard certain records "occurred in a seemingly innocent context, as part of a general effort to discard unneeded files." And the conspiracy charges involving Madison Guaranty owner James McDougal and the Rose Law Firm? Nothing to them, says the report: "It simply would not be persuasive to argue that, for $21,000, McDougal corrupted the Rose Law Firm and convinced half a dozen lawyers, most of whom he did not know, to join him in a scheme to violate the law ... the conspiracy theory is hopelessly flawed."

Good news. But when I read TIME [March 11], I couldn't find anything on Whitewater. I didn't really expect a cover story, but no story at all? TIME carried eight pages on the royal divorce, but not one word about an independent, nonpartisan investigation that corroborated what President and Mrs. Clinton had said all along about the most serious Whitewater-related charges. TIME'S attempt at balanced coverage came last week. One sentence on the Stephens report appeared in a cover story [BOOK EXCERPT, March 18] consisting largely of recycled gossip critical of the President and Mrs. Clinton. TIME'S competitors didn't do much better. *U.S. News & World Report* managed a sentence, and *Newsweek* buried the findings in a broader story about Hillary's troubles. Of the major television networks, only ABC assigned a reporter to the story, but in the 20 shows *Nightline* has devoted to Whitewater over the past two years, the Stephens report has barely been mentioned.

Is it too much to ask that a serious report effectively exonerating the Clintons and their associates get more than a passing mention in the nation's press? If an allegation of wrongdoing is front-page news, should not an apparent vindication merit equivalent time and space? Am I cynical to believe that a damning report would have received more attention in America's newsrooms? I don't think so. My instinctive reaction to Stephens' appointment by the RTC was dead wrong. His final report was thorough, fair and unbiased. That's more than can be said for the way it was covered by the national media. When it comes to Whitewater, good news is no news at all.

CYNTHIA JOHNSON—GAMMA LIAISON

George R. Stephanopoulos, Senior Adviser to the President for Policy and Strategy, Washington

TRUST YOUR DAY TO SELDANE®

You trained for weeks. Sweated it out. Pushed hard. Carbed up. All in preparation for your first 10K. But the morning of the race, the pollen count was off the chart. And with your seasonal nasal allergies, you thought you could run but you couldn't hide. That's why you may need the assurance of Seldane.

The Seldane difference

Seldane can give you relief from a range of major allergy symptoms. Even more important, Seldane can give you all that relief while letting you stay alert*—unlike some over-the-counter remedies that may leave you feeling spacey or drowsy. (In clinical studies, Seldane caused no more drowsiness than a placebo [sugar pill].)

Who should not take Seldane

Seldane isn't for everyone. There are risks for some people. So read this message thoroughly to find out specifically who should not take Seldane.

WARNING: YOU MUST NOT TAKE SELDANE if you are also taking the prescription antifungal medicines itraconazole (Sporanox®) or ketoconazole (Nizoral®) or the prescription antibiotics erythromycin, clarithromycin (Biaxin®), or troleandomycin (TAO®), or if you have liver disease. DO NOT TAKE MORE THAN the amount prescribed by your doctor. Seldane has been associated with rare occurrences of abnormal heartbeats, heart attack, and death under these conditions. Please see important additional information on an adjacent page.

Due to similarities in the drugs, it is also recommended that the antifungal drugs fluconazole, metronidazole, and miconazole, and the antibiotic azithromycin, not be used with Seldane.

Tell your doctor before taking Seldane if you have any liver or heart problems. Also, while using Seldane, tell your doctor if you ever feel faint, become dizzy, or have any irregular heartbeats.

Do not use Seldane with any other prescription or nonprescription medicine without first talking to your doctor. If you become pregnant or are nursing a baby, talk to your doctor about whether you should take Seldane. Your doctor will decide whether you should take Seldane based on the benefits and risks.

It is always important to tell your doctor about any medicines you are using, including antifungals and antibiotics.

Your doctor knows what is best for you

Because Seldane is a prescription medicine, only your doctor, or other health care professional authorized to prescribe, can decide if you're a candidate for it. Ask if you can join the millions of people who trust their allergies to Seldane. So on the day of your big race, you'll know you did your personal best.

To discover how to help control your seasonal allergies and receive the FREE, fact-filled allergy newsletter, *AllerDays*, call:

1 800 593-3145

SELDANE®

(terfenadine) 60 mg tablets

AVAILABLE BY PRESCRIPTION ONLY

SEASONAL ALLERGY RELIEF THAT LETS YOU STAY ALERT*

*In clinical studies involving over 11,000 patients, the reported incidence of drowsiness with Seldane (5.8%) did not differ significantly from placebo (6.9%).

SEE ADDITIONAL IMPORTANT INFORMATION ON AN ADJACENT PAGE.

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Brief Summary of
Prescribing Information as of January 1995

SELDANE™
(terfenadine)
60 mg Tablets

WARNING BOX
QT INTERVAL PROLONGATION/VENTRICULAR ARRHYTHMIA

RARE CASES OF SERIOUS CARDIOVASCULAR ADVERSE EVENTS, INCLUDING DEATH, CARDIAC ARREST, TORSADES DE POINTES, AND OTHER VENTRICULAR ARRHYTHMIAS, HAVE BEEN OBSERVED IN THE FOLLOWING CLINICAL SETTINGS, FREQUENTLY IN ASSOCIATION WITH INCREASED TERFENADINE LEVELS WHICH LEAD TO ELECTROCARDIOGRAPHIC QT PROLONGATION:

1. **CONCOMITANT ADMINISTRATION OF KETOCONAZOLE (NIZORAL) OR ITRACONAZOLE (SPORANOX)**
2. **OVERDOSE, INCLUDING SINGLE DOSES AS LOW AS 360 MG**
3. **CONCOMITANT ADMINISTRATION OF CLARITHROMYCIN, ERYTHROMYCIN, OR TROLEANDOMYCIN**
4. **SIGNIFICANT HEPATIC DYSFUNCTION**

TERFENADINE IS CONTRAINDICATED IN PATIENTS TAKING KETOCONAZOLE, ITRACONAZOLE, ERYTHROMYCIN, CLARITHROMYCIN, OR TROLEANDOMYCIN, AND IN PATIENTS WITH SIGNIFICANT HEPATIC DYSFUNCTION.
DO NOT EXCEED RECOMMENDED DOSE.
IN SOME CASES, SEVERE ARRHYTHMIAS HAVE BEEN PRECEDED BY EPISODES OF SYNCOPE. SYNCOPE IN PATIENTS RECEIVING TERFENADINE SHOULD LEAD TO DISCONTINUATION OF TREATMENT AND FULL EVALUATION OF POTENTIAL ARRHYTHMIAS.
(See CONTRAINDICATIONS, WARNINGS, CLINICAL PHARMACOLOGY, AND PRECAUTIONS: DRUG INTERACTIONS.)

DESCRIPTION

SELDANE (terfenadine) is available as tablets for oral administration. Each tablet contains 60 mg terfenadine. Tablets also contain, as inactive ingredients: corn starch, gelatin, lactose, magnesium stearate, and sodium bicarbonate.

INDICATIONS AND USAGE

SELDANE is indicated for the relief of symptoms associated with seasonal allergic rhinitis such as sneezing, rhinorrhea, pruritus, and lacrimation.

Clinical studies conducted to date have not demonstrated effectiveness of terfenadine in the common cold.

CONTRAINDICATIONS

CONCOMITANT ADMINISTRATION OF TERFENADINE WITH KETOCONAZOLE (NIZORAL) OR ITRACONAZOLE (SPORANOX) IS CONTRAINDICATED. TERFENADINE IS ALSO CONTRAINDICATED IN PATIENTS WITH DISEASE STATES OR OTHER CONCOMITANT MEDICATIONS KNOWN TO IMPAIR ITS METABOLISM, INCLUDING SIGNIFICANT HEPATIC DYSFUNCTION, AND CONCURRENT USE OF CLARITHROMYCIN, ERYTHROMYCIN, OR TROLEANDOMYCIN. QT PROLONGATION HAS BEEN DEMONSTRATED IN SOME PATIENTS TAKING TERFENADINE IN THESE SETTINGS, AND RARE CASES OF SERIOUS CARDIOVASCULAR EVENTS, INCLUDING DEATH, CARDIAC ARREST, AND TORSADES DE POINTES, HAVE BEEN REPORTED IN THESE PATIENT POPULATIONS. (See WARNINGS and PRECAUTIONS: Drug Interactions.)

SELDANE is contraindicated in patients with a known hypersensitivity to terfenadine or any of its ingredients.

WARNINGS

Terfenadine undergoes extensive metabolism in the liver by a specific cytochrome P-450 isoenzyme. This metabolic pathway may be impaired in patients with hepatic dysfunction (alcoholic cirrhosis, hepatitis) or who are taking drugs such as ketoconazole, itraconazole, or clarithromycin, erythromycin, or troleandomycin (macrolide antibiotics), or other potent inhibitors of this isoenzyme. Interference with this metabolism can lead to elevated terfenadine plasma levels associated with QT prolongation and increased risk of ventricular tachyarrhythmias (such as torsades de pointes, ventricular tachycardia, and ventricular fibrillation) at the recommended dose. SELDANE is contraindicated for use by patients with these conditions (see WARNING BOX, CONTRAINDICATIONS, and PRECAUTIONS: Drug Interactions).

Other patients who may be at risk for these adverse cardiovascular events include patients who may experience new or increased QT prolongation while receiving certain drugs or having conditions which lead to QT prolongation. These include patients taking certain antiarrhythmics, bepridil, certain psychotropics, probucol, or astemizole; patients with electrolyte abnormalities such as hypokalemia or hypomagnesemia, or taking diuretics with potential for inducing electrolyte abnormalities; and patients with congenital QT syndrome. SELDANE is not recommended for use by patients with these conditions.

The relationship of underlying cardiac disease to the development of ventricular tachyarrhythmias while on SELDANE therapy is unclear, nonetheless, SELDANE should also be used with caution in these patients.

PRECAUTIONS

Information for Patients

Patients taking SELDANE should receive the following information and instructions. Antihistamines are prescribed to reduce allergic symptoms. Patients should be advised to take SELDANE only as needed and NOT TO EXCEED THE PRESCRIBED DOSE. Patients should be questioned about use of any other prescription or over-the-counter medication, and should be cautioned regarding the potential for life-threatening arrhythmias with concurrent use of ketoconazole, itraconazole, clarithromycin, erythromycin, or troleandomycin. Patients should be advised to consult the physician before concurrent use of other medications with terfenadine. Patients should be questioned about pregnancy or lactation before starting SELDANE therapy, since the drug should be used in pregnancy or lactation only if the potential benefit justifies the potential risk to fetus or baby. Patients should also be instructed to store this medication in a tightly closed container in a cool, dry place, away from heat or direct sunlight, and away from children.

Drug Interactions

Ketoconazole

Spontaneous adverse reaction reports of patients taking concomitant ketoconazole with recommended doses of terfenadine demonstrate QT interval prolongation and rare serious cardiac events, e.g., death, cardiac arrest, and ventricular arrhythmia including torsades de pointes. Pharmacokinetic data indicate that ketoconazole markedly inhibits the metabolism of terfenadine, resulting in elevated plasma terfenadine levels. Presence of unchanged terfenadine is associated with statistically significant prolongation of the QT and QTc intervals. **Concomitant administration of ketoconazole and terfenadine is contraindicated** (see CONTRAINDICATIONS, WARNINGS, and ADVERSE REACTIONS).

Itraconazole

Torsades de pointes and elevated parent terfenadine levels have been reported during concomitant use of terfenadine and itraconazole in clinical trials of itraconazole and from foreign post-marketing sources. One death has also been reported from foreign post-marketing sources. **Concomitant administration of itraconazole and terfenadine is contraindicated** (see CONTRAINDICATIONS, WARNINGS, and ADVERSE REACTIONS.) Due to the chemical similarity of other azole-type antifungal agents (including fluconazole, metronidazole, and miconazole) to ketoconazole and itraconazole, concomitant use of these products with terfenadine is not recommended pending full examination of potential interactions.

Macrolides

Clinical drug interaction studies indicate that erythromycin and clarithromycin can exert an effect on terfenadine metabolism by a mechanism which may be similar to that of ketoconazole, but to a lesser extent. Although erythromycin measurably decreases the clearance of the terfenadine acid metabolite, its influence on terfenadine plasma levels is still under investigation. A few spontaneous accounts of QT interval prolongation with ventricular arrhythmia, including torsades de pointes, have been reported in patients receiving erythromycin or troleandomycin.

Concomitant administration of terfenadine with clarithromycin, erythromycin, or troleandomycin is contraindicated (see CONTRAINDICATIONS, WARNINGS, and ADVERSE REACTIONS). Pending full characterization of potential interactions, concomitant administration of terfenadine with other macrolide antibiotics, including azithromycin, is not recommended. Studies to evaluate the potential interaction of terfenadine with azithromycin are in progress.

Carcinogenesis, Mutagenesis, Impairment of Fertility

Oral doses of terfenadine, corresponding to 63 times the recommended human daily dose, in mice for 18 months or in rats for 24 months, revealed no evidence of tumorigenicity. Microbial and micronucleus test assays with terfenadine have revealed no evidence of mutagenesis.

Reproduction and fertility studies in rats showed no effects on male or female fertility at oral doses of up to 21 times the human daily dose. At 63 times the human daily dose there was a small but significant reduction in implants and at 125 times the human daily dose reduced implants and increased post-implantation losses were observed, which were judged to be secondary to maternal toxicity.

Pregnancy Category C

There was no evidence of animal teratogenicity. Reproduction studies have been performed in rats at doses 63 times and 125 times the human daily dose and have revealed decreased pup weight gain and survival when terfenadine was administered throughout pregnancy and lactation. There are no adequate and well-controlled studies in pregnant women. SELDANE should be used during pregnancy only if the potential benefit justifies the potential risk to the fetus.

Nonteratogenic Effects

SELDANE is not recommended for nursing women. The drug has caused decreased pup weight gain and survival in rats given doses 63 times and 125 times the human daily dose throughout pregnancy and lactation. Effects on pups exposed to SELDANE only during lactation are not known, and there are no adequate and well-controlled studies in women during lactation.

Pediatric Use

Safety and effectiveness of SELDANE in pediatric patients below the age of 12 years have not been established.

ADVERSE REACTIONS

Cardiovascular Adverse Events

Rare reports of severe cardiovascular adverse effects have been received which include ventricular tachyarrhythmias (torsades de pointes, ventricular tachycardia, ventricular fibrillation, and cardiac arrest), hypotension, palpitations, syncope, and dizziness. Rare reports of deaths resulting from ventricular tachyarrhythmias have been received (see CONTRAINDICATIONS, WARNINGS, and PRECAUTIONS: Drug Interactions). Hypotension, palpitations, syncope, and dizziness could reflect undetected ventricular arrhythmia. IN SOME PATIENTS, DEATH, CARDIAC ARREST, OR TORSADES DE POINTES HAVE BEEN PRECEDED BY EPISODES OF SYNCOPE. (See WARNING BOX.) Rare reports of serious cardiovascular adverse events have been received, in some instances QT prolongation and torsades de pointes, in apparently normal individuals without identifiable risk factors; there is not conclusive evidence of a causal relationship of these events with terfenadine. Although in rare cases there was measurable plasma terfenadine, the implications of this finding with respect to the variability of terfenadine metabolism in the normal population cannot be assessed without further study. In controlled clinical trials in otherwise normal patients with rhinitis, small increases in QTc interval were observed at doses of 60 mg b.i.d. In studies at 300 mg b.i.d. a mean increase in QTc of 10% (range –4% to +30%) (mean increase of 46 msec) was observed.

General Adverse Events

Experience from clinical studies, including both controlled and uncontrolled studies involving more than 2,400 patients who received SELDANE, provides information on adverse experience incidence for periods of a few days up to six months. The usual dose in these studies was 60 mg twice daily, but in a small number of patients, the dose was as low as 20 mg twice a day, or as high as 600 mg daily.

In controlled clinical studies using the recommended dose of 60 mg b.i.d., the incidence of reported adverse effects in patients receiving SELDANE was similar to that reported in patients receiving placebo. (See Table below.)

Adverse Events Reported in Clinical Trials

	Percent of Patients Reporting				
	Controlled Studies*			All Clinical Studies**	
Adverse Event	SELDANE n=781	Placebo n=665	Control n=626***	SELDANE n=2462	Placebo n=1478
Central Nervous System					
Drowsiness	9.0	8.1	18.1	8.5	8.2
Headache	6.3	7.4	3.8	15.8	11.2
Fatigue	2.9	0.9	5.8	4.5	3.0
Dizziness	1.4	1.1	1.0	1.5	1.2
Nervousness	0.9	0.2	0.6	1.7	1.0
Weakness	0.9	0.6	0.2	0.6	0.5
Appetite Increase	0.6	0.0	0.0	0.5	0.0
Gastrointestinal System					
Gastrointestinal Distress (Abdominal distress, Nausea, Vomiting, Change in bowel habits)	4.6	3.0	2.7	7.6	5.4
Eye, Ear, Nose, and Throat					
Dry Mouth/Nose/Throat	2.3	1.8	3.5	4.8	3.1
Cough	0.9	0.2	0.5	2.5	1.7
Sore Throat	0.5	0.3	0.5	3.2	1.6
Epistaxis	0.0	0.8	0.2	0.7	0.4
Skin					
Eruption (including rash and urticaria) or itching	1.0	1.7	1.4	1.6	2.0

* Duration of treatment in "CONTROLLED STUDIES" was usually 7-14 days.
** Duration of treatment in "ALL CLINICAL STUDIES" was up to 6 months.
*** CONTROL DRUGS: Chlorpheniramine (291 patients), d-Chlorpheniramine (189 patients), Clemastine (146 patients)

In addition to the more frequent side effects reported in clinical trials (see Table), adverse effects have been reported at a lower incidence in clinical trials and/or spontaneously during marketing of SELDANE that warrant listing as possibly associated with drug administration. These include: alopecia (hair loss or thinning), anaphylaxis, angioedema, bronchospasm, confusion, depression, galactorrhea, insomnia, menstrual disorders (including dysmenorrhea), musculoskeletal symptoms, nightmares, paresthesia, photosensitivity, raped flare of psoriasis, seizures, sinus tachycardia, sweating, thrombocytopenia, tremor, urinary frequency, and visual disturbances.

In clinical trials, several instances of mild, or in one case, moderate transaminase elevations were seen in patients receiving SELDANE. Mild elevations were also seen in placebo treated patients. Marketing experiences include isolated reports of jaundice, cholestatic hepatitis, and hepatitis. In most cases available information is incomplete.

OVERDOSAGE

Information concerning possible overdosage and its treatment appears in the full prescribing information.

DOSAGE AND ADMINISTRATION

One tablet (60 mg) twice daily for adults and pediatric patients 12 years and older. USE OF DOSES IN EXCESS OF 60 MG B.I.D. IS NOT RECOMMENDED BECAUSE OF THE INCREASED POTENTIAL FOR QT INTERVAL PROLONGATION AND ADVERSE CARDIAC EVENTS. (See WARNING BOX.) USE OF TERFENADINE IN PATIENTS WITH SIGNIFICANT HEPATIC DYSFUNCTION AND IN PATIENTS TAKING KETOCONAZOLE, ITRACONAZOLE, CLARITHROMYCIN, ERYTHROMYCIN, OR TROLEANDOMYCIN IS CONTRAINDICATED. (See CONTRAINDICATIONS, WARNINGS, and PRECAUTIONS: Drug Interactions.)

HOW SUPPLIED

NDC 0068-0723-61
60 mg tablets in bottles of 100.
NDC 0068-0723-65
60 mg tablets in bottles of 500.
Tablets are round, white, and debossed "SELDANE". Store tablets at controlled room temperature (59-86°F) (15-30°C). Protect from exposure to temperatures above 104°F (40°C) and moisture.

Prescribing Information as of January 1995

Merrell Dow Pharmaceuticals Inc.
Subsidiary of Marion Merrell Dow Inc.
Kansas City, MO 64114

U.S. Patent 4,254,129.
Other patent applications pending.

selb0195a

IT IS OBVIOUS THAT THE NUCLEAR INDUSTRY has failed and that the time has come for a complete energy transition in this country. We have the technology and the ability to use renewable energy. The risks are too great not to change.

Kathryn Herzog
Minneapolis, Minnesota

YOU TOUCHED ON THE ROOT CAUSE OF the problem of storing spent fuel rods: "The Federal Government has never created a storage site for high-level radioactive waste." Why not? Who are the villains? It is we the people, along with our elected representatives. Several sites have been identified as candidates for nuclear-waste storage, but the widespread "not in my backyard" attitude has stopped development of the waste-storage sites for more than 20 years.

Stephen A. Hodgson, Engineer
Galveston, Texas

Cuban Shoot-Down

IF UNARMED CUBAN CESSNAS FLEW OVER the White House dropping anti-American literature [NATION, March 4] and continued to violate U.S. airspace despite repeated warnings, I would support President Clinton's decision to shoot them down in the same way Fidel Castro okayed firing on the planes of Brothers to the Rescue. Am I the only American who opposes communism and Castro but believes the embargo only hurts the Cuban people? Why not an embargo against civil-rights-violating communist China?

Karin Anderson
Beverly Hills, California

WE CUBANS KNOW THE PROBLEM OF the Cuban people is Castro himself. He is the imperialist one.

Alina Brouwer and Pedro Rivero
Kingston, Jamaica

CUBA IS A NATION AS SOVEREIGN AS THIS one, even if the politics differ. If Brothers to the Rescue wants to be part of Castro's demise, it should take action within Cuba, instead of trying to manipulate the foreign policy of the U.S.

Marie Tagenius
Los Angeles

Buchanan's Plans

PAT BUCHANAN'S VIEWS ON ISOLATIONISM and economic protectionism [NATION, March 4] are out of synch with today's global economy. His policies, such as scrapping the North American Free Trade Agreement, would hurt the constituency he claims to represent: the working class.

Americans are much smarter than Buchanan gives them credit for, and they will expose this man for what he really is, a pandering opportunist.

Maurice Bastarche
Moncton, New Brunswick

BUCHANAN'S PLAN IS TWOFOLD. FIRST, trade with other countries would be dependent on their allowing us the same access to their markets that we give them to ours. Second, Buchanan sends a message to those corporate entities that would take their manufacturing activities south into the world of $2-an-hour labor. His message: if you go south, find a new market for your goods. Neither of those ideas conjures up visions of a wall around the U.S., except to those who are taking advantage of the lack of protection our businesses have or those who would desert their employees to maintain the key to the executive washroom.

John L. Brown
Hollister, Missouri

THOUGH I FIND BUCHANAN MONSTROUS, what is even more frightening is the element that has given him these primary victories. Deliver us from this evil!

Samuel B. Sutton
New York City

Good Pat, Bad Pat?

Our story "The Case Against Buchanan" [NATION, March 4] prompted a few readers to come up with some historical notes. Rodrigo F. Sánchez, 13, of Menomonee Falls, Wisconsin, went so far as to liken the Republican presidential candidate to Robespierre, the French revolutionary leader who conducted the Reign of Terror. "Buchanan's waging popular hell on Washington and the executives of corporate America," wrote Sánchez, "reminds me of Robespierre's endless rhetoric against the bourgeoisie who preyed upon France's greatness." Sánchez noted, however, that "when Robespierre went beyond the boundaries, the French people turned against him." Robert de Castro of Bridgewater, New Jersey, was concerned that Buchanan's ideas would head the U.S. into history in the wrong sense. "While the rest of the world prepares for the 21st century," commented De Castro, "Buchanan would have us get ready for the 19th."

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THIS MAN EFFECTIVELY ARTICULATES THE case against a corporate agenda that treats employees like unwanted chattel. Buchanan has struck a chord. May it soon become a chorus!

David Greene
Hamilton, Ontario

The Values Candidate

AS THE TWO LEADING REPUBLICAN PRESIdential contenders [NATION, March 4] battled in our state, citizens tuned out the talk and watched the walk. On the same day that Bob Dole met homeless families at a church-run program, Buchanan traveled to Mount Rushmore to declare that he was checking to see if there was space for his likeness on the mountain. Who is the values candidate?

Larry Brendtro
Lennox, South Dakota

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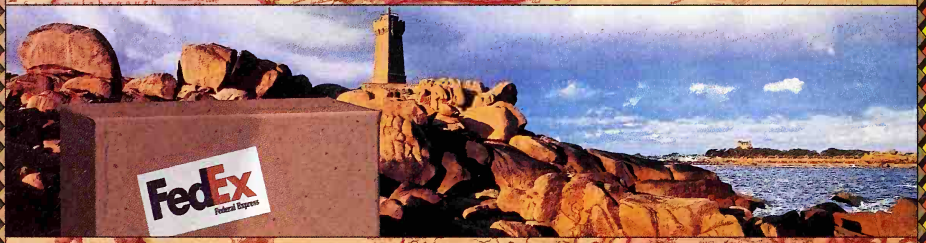

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"Evil visited us yesterday, and we don't know why."
—Ron Taylor, headmaster of the school in Scotland where a gunman slaughtered 16 children and their teacher

"I'm a Muslim first and a Muslim last. My duty is to my creator, not to nationalistic ideology."
—Mahmoud Abdul-Rauf of the Denver Nuggets on not standing for the national anthem

"We have become in the eyes of the Palestinian masses an ugly copy of the Israeli occupation, and it won't be long before we see one Palestinian shooting at another Palestinian in a police or military uniform."
—A senior security officer in Yasser Arafat's Palestinian Authority

"If it helps to make people think a little bit more what those ideals are, then I'll keep wearing this uniform."
—Ousted Trekkie-garbed alternate Whitewater juror Barbara Adams on the starship virtues of peace and inclusion

TIM O'BRIEN/FOR TIME

RELIQUARIES OF THE WEEK: It will be a month before Jacqueline Kennedy Onassis' trinkets and treasures go on the block, but the publication of the auction catalog stirred dreams of bidding for—and winning—objects once touched by Camelot's Lady

WINNERS & LOSERS

ANTHEM ANTICS

HAKEEM OLAJUWON
Houston's star immigrant is cast as the "good Muslim" to Abdul-Rauf's "bad Muslim"

BASEBALL
America's favorite pastime has long had a quiet answer: stay in the dugout till it's over

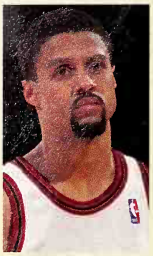
ROSEANNE
Now her shrieking rendition of the anthem at that Padres game doesn't seem quite so bad

MAHMOUD ABDUL-RAUF
He finally compromises with the N.B.A., but forget a Wheaties box—and the Dream Team

BASKETBALL
Taking away a man's living just for refusing to slouch and scratch himself like everyone else?

THE STAR-SPANGLED BANNER
All this might have been avoided if only it were a singable tune—or *America the Beautiful*

PAT SULLIVAN—AP



DAVID ZALUBOWSKI—AP

Bill's Nemesis: Nader?

IF YOU THINK BILL CLINTON'S ONLY obstacle to re-election is Bob Dole, think again. Judging by the volume of back-channel contacts, some Democrats are more concerned about, of all people, **Ralph Nader.** The sometimes loopily ascetic consumer crusader, who plans to run for the presidency as the candidate of the Green Party, told TIME he has been approached by several worried Democratic bigwigs, including members of Congress and their staff members. Reason: the latest Field Poll in California shows Nader drawing 6% of the vote, which in a tight race might deprive Clinton of a victory in that must-win state. Says Bill Press, the state's former Democratic Party chairman: "Historically, elections are won in California by three to five percentage points, so [Nader] could be the margin of difference. A vote for Nader is a vote for Bob Dole."

TED SOQUI—SYGMA

Nader laughs at the notion that he might bow out to help Clinton. He considers Clinton pro-corporate America, anti-consumer protection and as averse to campaign-finance reform as any Republican. Besides, Nader adds, "it's hard to be a spoiler in a system that is spoiled to its core." He's already in next week's California primary.

The White House is taking Nader seriously, even though he has not formally said he will run in November. When Jesse Jackson decided not to challenge Clinton in the primaries, most Clinton advisers thought they could move the President to the right with impunity. No longer. Says White House counselor Bill Curry: the Nader candidacy "is a bad thing."

Nader is more interested in spreading his message than winning. He is raising no money and intends to spend less than $5,000 from his own pocket, foreseeing a campaign of video- and audiocassettes. Still, Republicans are excited about his prospects. Says G.O.P. pollster Bill McInturff: "The Greens are my favorite little splinter party." —*By* ***Jeffrey H. Birnbaum***

WASHINGTON DIARY

Margaret Carlson

Household Finance

Whitewater will never be a mini-series—too much trailer park, too few Gulfstreams jetting to private islands, amounts in the low-six rather than high-seven figures, and a low quotient of hunks. That may explain why Democrats, who last May joined a 96-3 vote authorizing the ethically challenged Senator Alfonse D'Amato to chair the Whitewater Committee, now are holding firm against an open extension of the hearings. After eight months there's no smoking gun, no smoking anything, just a simmering stew of subdivided Ozark property without sewer lines and endless minutiae about closing costs and mortgage points. No one knows the protagonists—imagine trying to cast the pudgy David Hale, a confessed felon and owner of a failed burial insurance company. The best visual from the first Whitewater trial is already gone: the Trekkie alternate juror in Vulcan regalia. The wonder is that she was beamed up at all.

Meryl Streep would make a good Hillary—excellent at dramatizing pain in a marriage—but surely she would choke on this line from James B. Stewart's *Blood Sport*: "You can't be a woman if you don't have children. It's the central mission of women," which Hillary wouldn't utter at her most wonkish. In the end, it's not surprising that Hillary, rather than the Governor, may have been more involved in Whitewater. Political wives are often left to build a nest egg while their husbands are building empires—see Marianne Gingrich (who has taken heat for career leaping from beauty consultant to representative of the Israel Export Development Company) and Honey Alexander (a deal cutter so successful she could do infomercials on how to turn $5,000 into $142,000). While the men grapple with macro-finances of the M-1 variety, it falls to their wives to micro-manage tuitions, mortgages and IRAs. Even the aggressively un-Hillary Elizabeth Dole has made—and invested—much of the Dole money.

DIANA WALKER—FOR TIME ALL ACTION/LGI

Hillary Streep

The wild success of the No. 3 TV show, *Friends*, is more understandable in light of last week's Census Bureau report, which shows that the average age at which people wed has climbed to a record level—26.7 for men and 24.5 for women. Never-married adults now make up a quarter of the over-18 population. That's 44.2 million people with enough free time to drink double their weight in coffee daily, get precision haircuts that fall rakishly into the eyes without totally obstructing vision, and watch a show on which people do all of the above. When they do finally wed maybe the Starbucks generation will cause less pain in their marriages than the yuppies did.

J. DELVALLE—LGI

Unwed *Friend*

Hang a lamb chop in the window and they will come used to be the reigning social doctrine in Washington. But now that the new ethics rules require Senators and Representatives to pay their own way, they stayed away in droves from Placido Domingo's gala, which raised $2.6 million for the Washington Opera last Sunday. Colin Powell and Ross Perot bought the $1,250 tickets, but they aren't used to having someone else pick up the tab—yet.

RICHARD CORKERY—LGI

Ruled out

Hillary dropped by James Carville's book party Thursday night at The Palm, and explained her reason for the surprise visit in a thick Arkansas accent: "I'm a pushover for sweet-talking Southern boys. I know where they're coming from, but I still fall for it." Maybe a mini-series after all. Streep does wonderful accents. ■

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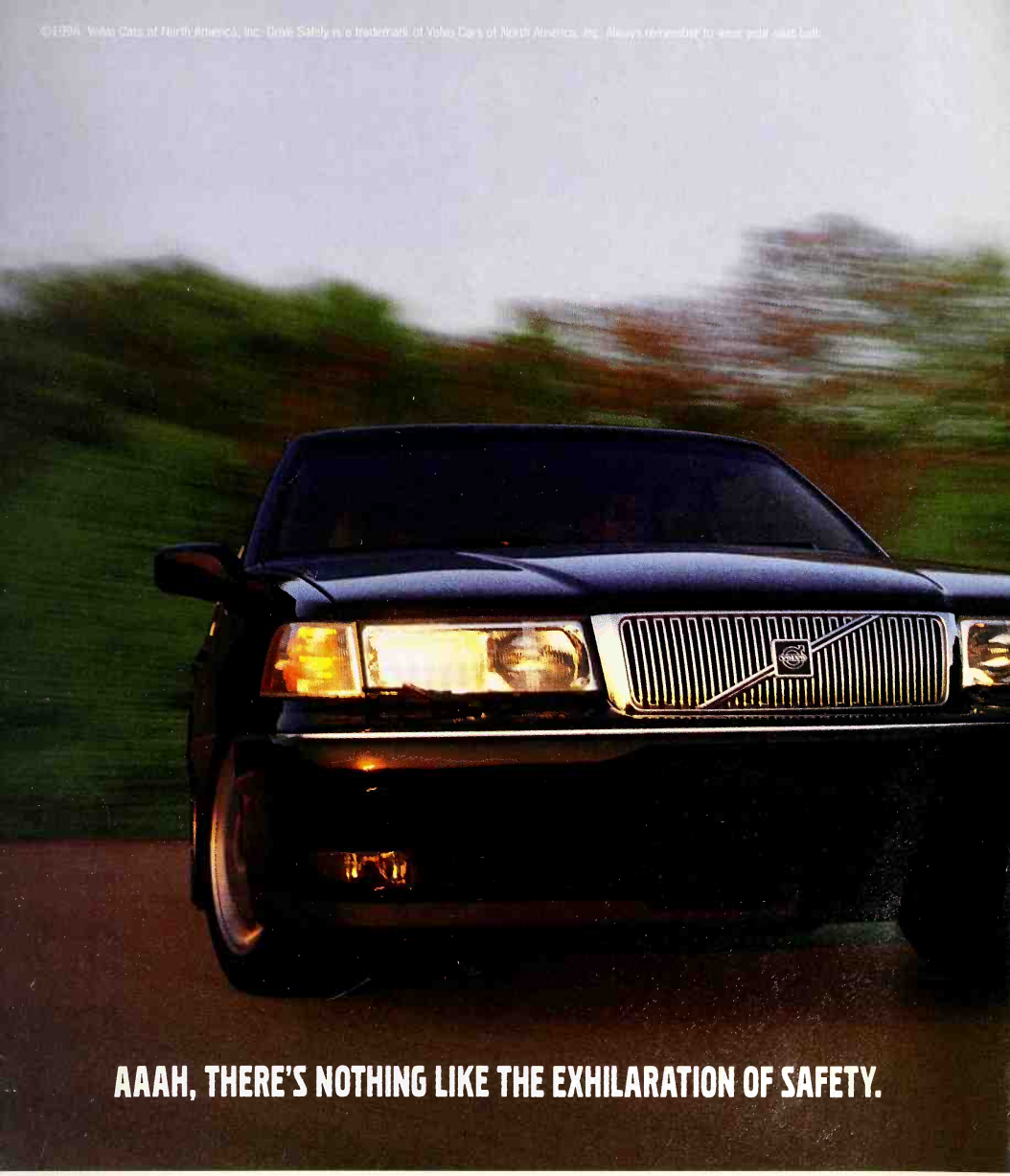

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Iran: Maybe We Didn't Mean It

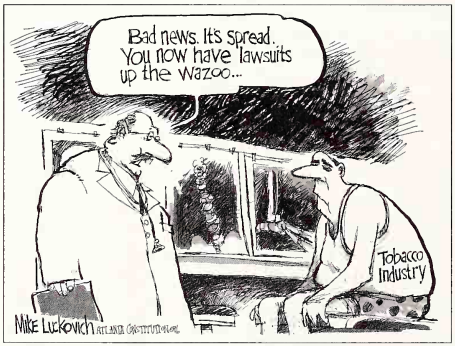
When Iran's official news agency described the suicide bombings in Israel as "divine retribution," the Tehran government, in its current attempt at moderation, went through public hoops to disavow the sentiments and to regret the loss of life. All of which makes a recent round of Iranian diplomacy more than a little embarrassing. Just before the murderous last spate of bombings in Israel, Hasan Habibi, Vice President of Iran, visited Syria for what amounted to a pep rally for Middle East terrorism. Gathered at Iran's embassy in Damascus were the leaders of such Palestinian extremist groups as Hizballah, Islamic Jihad, the Popular Front for the Liberation of Palestine-General Command and Hamas.

Habibi congratulated the Hamas representatives on the previous bombings in Israel and urged them to keep up the attacks. Habibi promised more financial aid and extra training at bases in Lebanon supported by the Iranian Revolutionary Guard. Tehran said it would also press Damascus to let Hamas fighters continue to operate in Syria and in Syrian-controlled sectors of Lebanon. After the latest attacks, will all these be empty promises?

DIRCK HALSTEAD FOR TIME

The Price of a Photo-Op

So what did Bill Clinton have to endure for his photographic coup of getting 29 world leaders to stand shoulder-to-shoulder against terrorism? Opening statements, lots of opening statements—as in 250 minutes of self-congratulatory remarks from all the global egos present. They went on so long that Clinton, having flown overnight aboard Air Force One with a rambunctious King Hussein of Jordan as a roommate, periodically verged on nodding off. In fact, the hour allotted for the actual meeting of the leaders had to be cut back to 20 minutes because of the remarks. In any case, negotiations weren't the reason for the summit in the first place. A picture is worth at least $100 million, the amount Clinton pledged to Israel the next day toward an antiterror campaign.



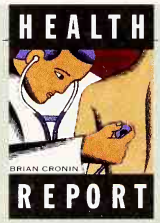
Return on Investment

GREG GIBSON—AP

While Steve Forbes, who dropped out last week, may have spent a mountain of money, he doesn't show that bad a return, considering the votes he won in the G.O.P. primaries and caucuses through March 12. Others have worse ratios.

CANDIDATE	PRIMARY VOTES (EST.)	CAMPAIGN SPENDING	COST PER VOTE
BUCHANAN	1,523,900	$11 million	$ 7.22
DOLE	3,660,800	$27 million	$ 7.38
KEYES	173,500	$ 2 million	$ 11.53
FORBES	1,240,500	$30 million	$ 24.18
ALEXANDER	393,400	$12 million	$ 30.50
LUGAR	53,500	$ 7 million	$130.84
GRAMM	42,800	$24 million	$560.75

HEALTH REPORT



BRIAN CRONIN

THE GOOD NEWS

✔ Look, Ma—no cavities in more than 50% of today's school-age children, compared with 25% of kids in the early '70s. **FLUORIDATED WATER** and better dental care are reasons why.

✔ A new form of the blood-thinning drug heparin may enable patients with potentially dangerous **BLOOD CLOTS** to be treated at home, two studies find. Traditional heparin must be administered intravenously at a hospital.

✔ To be screened for heart disease, people are subjected to an exercise stress test or injected with radioactive thallium before undergoing an X-ray. Now research shows that an ultrafast **CAT-SCAN** can do the job just as well. The scan takes speedy "stop motion" pictures of the heart that spot coronary artery-clogging deposits.

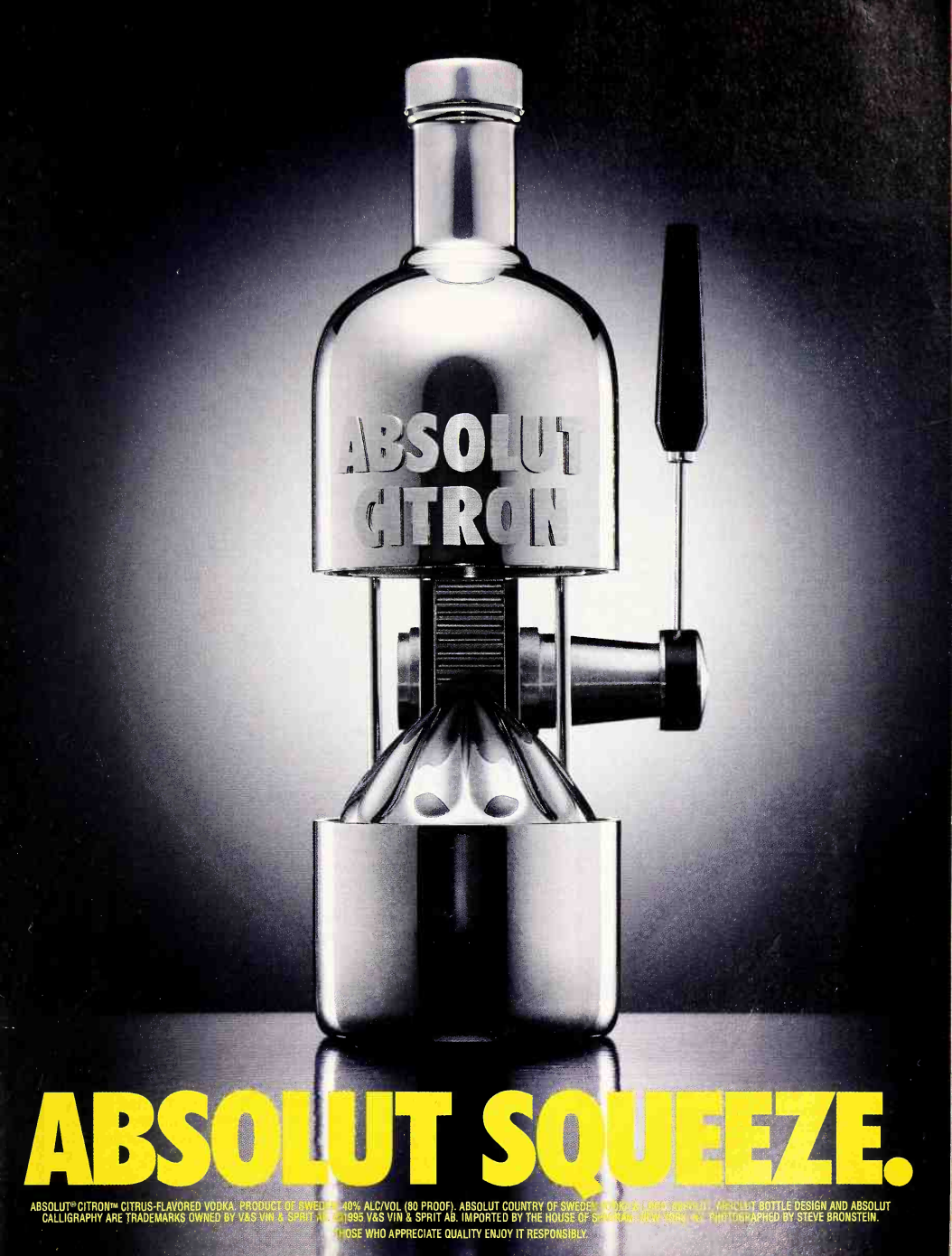
THE BAD NEWS

✔ Is chicken really foul? A consumer group charges that 25% of **RAW CHICKENS** harbor *Salmonella* and 90% are contaminated with *Campylobacter*, an equally stomach-sickening and potentially deadly bacterium. The study blames the practice of immersing carcasses in hot water to loosen feathers; the report, disputed by the poultry industry, says the water is not hot enough to kill the bacteria and encourages them to spread.

✔ Black women having trouble **SHEDDING POUNDS,** consider this: a study suggests that the metabolic rate of overweight black women at rest is about 5% slower than for whites.

✔ Thunderstorms, say scientists, can trigger **ASTHMA** attacks—even in people who have never had one. Water and wind gusts release asthma-triggering particles from pollen.

Sources—GOOD NEWS: American Dental Association; *New England Journal of Medicine*; *Circulation* BAD NEWS: Center for Science in the Public Interest; Fourth International Congress of Behavioral Medicine; *British Medical Journal*



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THOSE WHO APPRECIATE QUALITY ENJOY IT RESPONSIBLY.

DOES SHE DO DIAPERS?

"Can you imagine me with a woman old enough to be my wife? ... My girlfriend is 25 years old—perfect."—HOLLYWOOD VETERAN TONY CURTIS, 70, IN GQ MAGAZINE

LOCAL HEROES

DAVID GRUBBS—BILLINGS GAZETTE

TONY BROWN, 18, BROWNING, MONT.; high school wrestler

Brown survived a horrific train accident last April that resulted in the amputation of both legs below the knee. But after intensive rehab, the high school wrestler refused to give up his sport. By adjusting his skills and maneuvers, he continued to compete—without the use of his prostheses. At a state meet last month, he placed sixth out of 16 finalists at 105 lbs. His coach, Steve Komac, calls him "one of the most courageous people I've ever met."

MICHAEL HUGHES—TIMES STANDARD/AP

DAN LAWRENCE, 45, HUMBOLDT COUNTY, CALIF.; radio DJ

After two tours of duty in Vietnam, Lawrence developed cancer, which doctors believe was caused by Agent Orange. His vocal cords were removed as part of treatment, and he talks via a laptop computer and voice synthesizer. Still, since February, he has been host of *Digital Music Zone* on KHUM-FM, which features tunes from the Vietnam War era. Facing more surgery, he nevertheless urges listeners to "jump into the river of life."

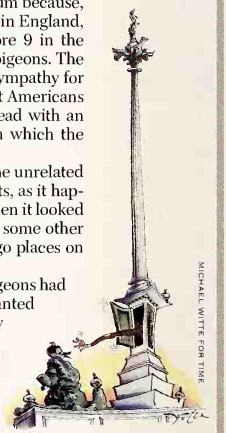
CALVIN TRILLIN

All the Lovely Pigeons

I SUPPOSE IT'S STILL FAINTLY POSSIBLE THAT THOSE WHO ENGINEERED THE mysterious snatching of 4,000 pigeons from Trafalgar Square had only the best interests of the pigeons at heart. There is that ray of hope to cling to.

I can imagine many people in England trying to reassure one another with such thoughts as they read increasingly grim speculation about the pigeons in the morning papers. "Don't look so glum, Alfie," Alfie's wife says, as she puts the eggs and grilled tomato and thick-cut bacon in front of him. "Maybe this was some nice gentleman who has a home for older pigeons in a lovely part of Sussex where they don't have to be around those nasty foreigners."

It may be, of course, that Alfie was looking glum because, breakfast traditionally being the only edible meal in England, he knew his day had already peaked well before 9 in the morning. But he was probably thinking of those pigeons. The English are known for having almost unlimited sympathy for animals that are unromantic or even animals that Americans might describe as having been hit upside the head with an ugly stick. The United Kingdom is a country in which the monarch harbors corgis.



MICHAEL WITTE FOR TIME

A corgi looks as if it were put together with the unrelated body parts of three or four other breeds—the parts, as it happens, that each breed most longed to get rid of when it looked in the mirror every morning. ("If I could just get some other dog to take this little sausage of a torso, I could go places on these legs.")

Apparently, there was at first hope that the pigeons had been taken by some poor lad who desperately wanted to race pigeons but lacked the wherewithal to buy his own flock. Alfie was able to imagine the Trafalgar Square pigeons soaring gracefully over the Somerset moors or being pampered by a kindly pigeon fancier like that nice detective on *NYPD Blue*.

But I heard on the radio that the pigeon-racing authorities dismissed that theory, explaining that Trafalgar Square pigeons are too old and out of shape to be competitive racers.

"I was thinking they might have special races for older birds," Alfie may have said when that news came out. "Like the over-50 division in tennis."

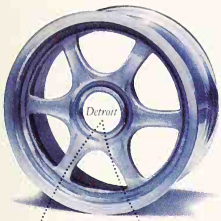
I have to say that I was pessimistic from the start. Any sensible analysis of the case has to start with a brutal but undeniable fact: people eat pigeons.

When the New American Cuisine began to take hold in Northern California, I remember beginning each visit to San Francisco by checking to make certain there were still pigeons in the parks. My fear was that between my trips to the city, all the poor birds might have been snatched up, smoked and served on a bed of radicchio.

I don't think the Trafalgar Square caper indicates that smoked pigeon on radicchio has replaced bangers and mash in the hearts of the English. The pigeons could be served as anything. As Escoffier, or one of them, may have said, "Chopping up is the great leveler."

In fact, a young man, who told *The Sun* that he had taken 1,500 of the pigeons and sold them to a middleman, said, "As far as I know, they go to curry houses all over Britain."

We all hope he's wrong. People who would snatch Trafalgar Square pigeons for restaurant stewpots would snatch almost any animal, no matter how repulsive—although the Queen will be relieved to hear they'd probably draw the line at corgis. ■



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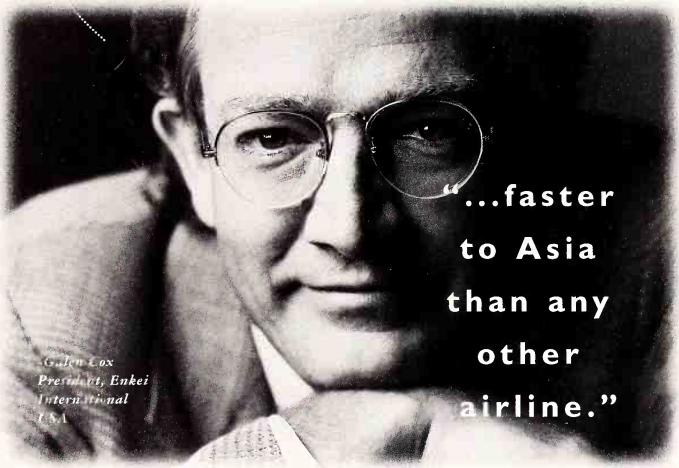

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MILESTONES

SYGMA

KIESLOWSKI IN 1992

EVERETT COLLECTION

EDWARDS IN 1962

EVERETT COLLECTION

HUNTER IN 1960

SENTENCED. JAMES WATT, 58, Reagan-era Secretary of the Interior; to community service and a $5,000 fine; after pleading guilty to attempting to influence a grand jury looking into his lobbying activities; in Washington.

DIED. KRZYSZTOF KIESLOWSKI, 54, master Polish filmmaker; after heart-bypass surgery; in Warsaw. An Oscar nominee last year for *Red*, he made daunting, haunting studies of passion and alienation on the grand scale, as in his 10-hour *Decalogue*, which dramatizes the Ten Commandments in a Warsaw high-rise, and his *Three Colors* trilogy (*Blue, White, Red*), in which troubled souls in France, Poland and Switzerland come to terms with a dark obsession. In 1994 Kieslowski said he was quitting films; he just wanted "to sit alone in a room and smoke." He left behind some of the most elegant and intelligent films of the past decade.

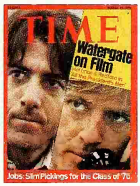
DIED. VINCE EDWARDS, 67, actor; of pancreatic cancer; in Los Angeles. As Dr. Ben Casey, he was surly, sarcastic, short-tempered—and that's just how he treated his *friends*. Yet TV viewers in the 1960s couldn't get enough of the neurosurgeon or of Edwards, who portrayed the combative Casey as the polar opposite of his ratings rival, the saintly Doctor Kildare (played by Richard Chamberlain). Prior to *Ben Casey*, Edwards was a B-movie gangster. After, he appeared in forgettable film and TV work, including the inevitable *Return of Ben Casey* in 1988.

DIED. ROSS HUNTER, 74, producer; of lymphoma; in Los Angeles. Hunter's movies were rarely mistaken for art—or for anyone else's work. From weepers (1954's *Magnificent Obsession*) to musicals (*Thoroughly Modern Millie* in 1967) to comedies (a brace of Doris Day films) to dramas (1970's *Airport*), the typical Hunter product offered a high-calorie menu of top-priced Hollywood stars, expensive sets and sumptuous costuming that gave tragedy and melodrama a gloss of glamour.

20 YEARS AGO IN TIME

Watergate, the Movie

When Robert Redford bought the screen rights to All the President's Men, *he had little idea of the snags that lay in store. One was his hiring of* Butch Cassidy and the Sundance Kid *scriptwriter William Goldman, who put emphasis on off-color newsroom humor. The move caused an uproar:* "The *Post* nearly backed out of the project then, and [Executive Editor Benjamin C.] Bradlee was blunt with Redford. 'Just remember, pal,' he said, 'that you go off and ride a horse or jump in the sack with some good-looking woman in your next film—but I am forever an asshole.' Redford was impressed: 'I've met few people who were as conscious of their position—and how to keep it.' " —*March 29, 1976*



Cover: Dustin Hoffman and Robert Redford as the Washington *Post* reporters who land the story of the century

WHERE ARE THEY NOW?

MARTY LEDERHANDLER—AP

SOONG MEI-LING, 97; MANHATTAN
Former First Lady of China

The widow of Generalissimo Chiang Kai-shek, Madame Chiang—as she came to be known—was the most charming and persuasive of China's notoriously influential Soong family. As her husband's emissary, she pleaded for the Allies to support China in its war against Japan, taking Washington by storm in 1943 when she addressed a joint session of Congress. Defeated by the communists in 1949, the Chiangs fled to Taiwan, where he ruled until his death in 1975. Estranged from his successor, her stepson, she divided her time between Taiwan and the U.S. Now settled in New York City, she leads a quiet life of Methodist prayer, visiting old friends and avoiding politics. Still, appearing last week at a controversial exhibition of treasures her husband took from the mainland, she couldn't resist a veiled reference to the current Taiwan crisis. Says Metropolitan Museum of Art director Philippe de Montebello: "She spoke with majesty of the enduring and unifying quality of art in times of political turmoil."

—By James Carney, Charlotte Faltermayer, Janice M. Horowitz, Lina Lofaro, Lara Marlowe, Michael Quinn, Jeffery C. Rubin and Douglas Waller

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BOB & BILL'S BEL

How do you cook up laws and roast each other at the same time? Dole and Cli

By RICHARD STENGEL

BIOLOGISTS CALL IT SYMBIOSIS: the living together in more or less intimate association of different, sometimes hostile species in which each exploits the other to its own maximum advantage. In rare cases, such as parasitic wasps, creatures use each other for survival before one destroys the other. This is not unlike the current political morphology involving the genus Presidentum Candidatus, with those two familiar species, Robert Dole, *Republican challenger,* and Bill Clinton, *Democratic incumbent.*

Washington, as any biologist will tell you, is crueler than nature, and for the next few months rivals Clinton and Dole will find themselves in more or less intimate association, mutually dependent but wholeheartedly trying to annihilate each other.

For the next few months, the presidential campaign has shifted from the green fields of the Republic to the hard pavement of Pennsylvania Avenue. Forbes has folded, and Pat Buchanan remains on the hustings, a distant and noisy drummer. The scenario presents a curious and unique situation in American history, a Senate majority leader and a President, opposing candidates in a general election, who must work out some modus operandi while trying to knife each other in the back. (The only sitting Republican Senator—not even a majority leader—elected President in this century was Warren Harding. His slogan: "Return to Normalcy.") For the next few months, voters will be able to observe a complex, multilevel game in which Dole and Clinton will be constantly analyzing who is hurt or helped by different legislative strategies. At this point, neither knows what the other is going to do. "I get mixed signals," says Dole. "Some say he really wants to get things done. Others say he could care less." Clinton's camp is waiting for Dole to make the first move.

When Bob Dole decided to run for President, a small voice inside him, the voice of the Depression kid from hardscrabble Russell, Kansas, said, "Bob, don't quit your day job."

And he didn't. Flying back to Washington last week on his campaign plane after wrapping up the nomination fight, Dole confided that he was "anxious to get back to work." *Back* to work? In other words, Dole was done moonlighting as a Republican primary candidate and now wanted to return to his real work, the job he knows and loves and does better than anyone else.

Last week, sitting in what is probably his favorite spot in the world—the narrow balcony between his office and the Senate floor, a place where no voters can pester him, where no one can ask him why he lacks vision—Dole turned his perpetually tanned face to the late winter sun and did what comes naturally: he talked shop. From his lap he plucked a neatly folded piece of paper and ticked off a list of bills. Farm bill. "Have to do that." Line-item veto. "That's something *they* [the Democrats] want." Small-

STEVE BROONER FOR TIME

TWAY BAKE-OFF

on are about to show what happens when the campaign comes to Washington

business regulatory reform. "That's bipartisan. That will pass, probably 90 to 6." And on and on down the list: health-care insurance, term limits, campaign-finance reform and a balanced budget. Pure Dole, so comfortable with legislative jargon, so uncomfortable with campaign rhetoric: "When we leave here for the convention, if we've got a pretty good list of things we've passed, the President can veto them but we can make our case." You want vision? Bob Dole has found his vision: a legislative to do list. No one can check off items like Dole. Remember George Bush, also vision challenged, who said, "Message: I care." Dole's version: "Message: I do."

Dole knows he's a better legislator than campaigner, so his strategy is to campaign by legislating. His frequent refrain—"I'm a doer, not a talker"—can be demonstrated only by actually passing legislation. Unlike Newt Gingrich, who plots grand, overarching designs, Dole takes things as they come up, picking allies and sizing up enemies as necessary. It's as though he thinks it's bad luck to plan ahead. The Dole strategy is to depict himself as the driving force of change while portraying Clinton as the defender of the status quo: Senator Change vs. President Veto. Don Sipple, Dole's top strategist, sums it up this way: "We've got an agenda for change. The only question is whether Clinton gets on board or stands in the way."

But Dole's path is a dangerous one. In his perfect legislative world, he could calibrate bills so cleverly, pack them so guilefully, that he would look good if Clinton signed and Clinton would look bad if he didn't. (Imagine Bill's Dilemma: Will it hurt me with my liberal base if I sign it? Will it poison me with Perot voters if I don't?) But Dole's world is changed now. He must reckon with a possibly uncooperative House, led by fractious freshmen who suspect Dole of selling out and last week pleaded with Dick Armey to be their champion. He must deal with the dogged Senate minority leader, Tom

DOUG MILLS—AP

WINNER TAKES ALL: Dole celebrates his Super Tuesday victory with his daughter Robin, his wife Elizabeth and a delighted Newt Gingrich

Daschle, and the filibustering Democrats doing their damnedest to obstruct and water down any legislation.

Then there's the larger question. In a time when many voters love to hate Washington, do you benefit from showing your skills as Beltway Bob? Dole has to wonder: Will cooperating with Clinton make me look weak, like a junior President? And just how do you make a complex legislative agenda sound like a coherent message? Especially when the candidate is more comfortable talking about continuing resolutions and getting a bill out of committee than painting a glowing picture of a rising America. The problem for Dole is that passing legislation during a presidential campaign is not about the fine print—it's about winning the battle of perception.

Dole's strategy has another potential flaw. On the campaign trail, Dole has been scoring points with lines like this: "We sent the President a balanced budget. He vetoed it. We sent him tax cuts for families with children. Veto. We sent him welfare reform. Veto." But what happens to the Dole strategy when Clinton starts signing on the dotted line? A Dole campaign aide inadvertently points this out while trying to prop up his candidate. "[Dole] complains that Clinton is against welfare reform and against a balanced budget," says the aide. "If we had deals on each of those issues, he wouldn't be saying that." But Dole is counting on the desire of moderate lawmakers to get something done in an election year, and the goodwill of voters who will see that Dole is trying to do just that. The path is tricky, but consider the alternative: campaigning. "We don't have any money," laments a Dole aide.

In the current firmament, Dole proposes, Clinton disposes. And in so doing, Dole could even keep Clinton consistent

History shows that the White House has natural advantages. Take this past week. The President was making peace and photo ops in a Middle East desert, while the nominee was specifying how to ease the Social Security earnings test. The beauty of incumbency is that the President can sit back and wait. In the current political firmament, Dole proposes, Clinton disposes. And in so doing, Dole could even force Clinton to show something like consistency. The President the Dole campaign accuses of "talking right and governing left" could become the President who really does, finally, end welfare as we know it. The President also has the luxury of depicting himself as a man of accomplishment if he signs a bill and as a fighter against extremism if he vetoes it.

Clinton aides believe that the President ultimately wins in the public mind if the government appears to be functioning. Signing will be his strategy, starting with a welfare-reform bill close to the version being proposed by a seven-member executive committee of the National Governors' Association. Clinton's veto of the Republican bill he once described as draconian has yielded changes in his favor. The Governors provided $4 billion more in child-care funding than the congressional conference report recommended.

The same strategy goes for the line-item veto. So what if it was part of the Contract with America? Clinton wants it. The Republicans can moan when he uses it and moan when he doesn't. At best, Clinton

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VISTA *Investors*	46.1%	22.4%	17.1%	14.3% *(11/25/83)*
SELECT *Investors*	22.7%	10.2%	11.8%	16.5% *(6/30/71)*[2]
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TIME

A GOOD CHOICE FOR YOUR IRA, 401(k), OR SEP/SARSEP

will have it for one appropriations cycle before the election, and he can use it to reject programs he will describe as extremist.

As President, Clinton also has the advantage of being able to step away from any imbroglios and take his show on the road, where he still has $26 million to spend. While Dole is dealing with the nitty-gritty of getting bills to the floor, Clinton can float above it by making crowd-pleasing speeches about "values" like protecting the environment, discouraging smoking, instituting the V chip and wearing school uniforms. Like Ronald Reagan in 1984, he can even campaign against Washington. Already Clinton is airing ads in which he talks about the need "to cherish our children and strengthen America's families." Can't argue with that. And talk about Alice in Wonderland logic and appropriating Republican themes: the Democratic National Committee is running an ad about welfare that might have been written by Reagan. "Families destroyed. Children's dreams lost," says the narrator. "No work, no welfare—rescue children from the destructive welfare system." Bob Dole, phone home.

As the early Clinton ads suggest, Clinton is already where Dole needs to be. It was Nixon's commonplace advice to run to the right in the primaries, then back to the left in the general election. But Clinton is already staking his claim to that voter-rich region, and to the issues that were once the domain of Republicans. This week the man who proclaimed in the State of the Union address that "the era of Big Government is over" will release his 1997 budget and call for a balanced budget, which has basically been Dole's main theme on the trail. "Dole's big problem," says Republican strategist Ed Rollins, "is that the only issues he owns are ones that are not attractive for a fall campaign: abortion and deficit reduction."

Republicans on the Hill see the writing on the wall. They are no longer talking about tying the debt limit to pet causes. They don't want another train wreck. And despite all the odds, voters may be surprised to see that legislation gets passed and signed during this symbiotic presidential season. "I think it helps us both," says Dole, hopefully. Perhaps voters will decide Washington isn't such a terrible place after all. In the end they might just opt for the Pennsylvania Avenue Dream Ticket: Clinton-Dole. With Dole doing, Clinton signing and both of them taking credit, why make a change at all? —***Reported by Michael Duffy, J.F.O. McAllister and Karen Tumulty/Washington***

LEADER OF THE BLOCK PARTY

AS THE PRESIDENTIAL-CAMPAIGN BATTLEGROUND SHIFTS TO WASHINGTON, Tom Daschle seems an odd candidate for the role he is about to play as President Clinton's first line of defense on Capitol Hill. A slight and boyish-looking man of 48, he had never managed a major bill before becoming Senate Democratic leader last year. Almost incapable of eye-to-eye engagement with the television camera, he prefers to read his speeches, softly and deliberately, from behind a pair of glasses. "He looks like a choirboy," sighs veteran South Carolina Democrat Fritz Hollings, a fire breather.

But to the surprise of his allies and his foes, the South Dakota Democrat has proved remarkably skillful at marshaling his outnumbered Senate forces into an almost insurmountable obstacle to the G.O.P. agenda. One by one, they have buried almost every item in the Contract with America. And where the G.O.P. has managed to get critical bills passed in the Senate—on welfare reform, for instance—the Democrats have generally reshaped them, sanding off enough of the ideological edges to sour the victory for many Republicans.

In his early, often rocky months as minority leader, Daschle's most delicate task was to distance Senate Democrats from Clinton and what the Senator's own advisers called an "aura of failure surrounding the Democratic Party." Now he faces an almost opposite challenge. "I have to be certain that the Senate floor doesn't become the presidential-campaign megaphone for Bob Dole, and to a certain extent, we can do that by keeping the Republican majority in check," Daschle says. "I also have to be sure that any legislation out of the Senate has as much a Democratic stamp as a Republican one, so the President can claim as much credit as Bob Dole."

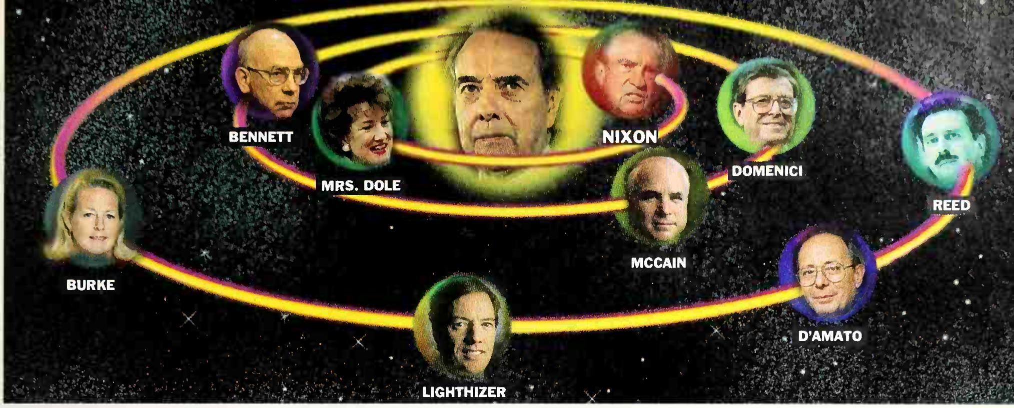
BRETON LITTLEHALES FOR TIME

Daschle: Holding up the Contract

So far it seems to be working. Last week, under pressure from Daschle's troops, Senate Republicans dismayed their counterparts in the House when they added $2.7 billion for education demanded by Clinton to a spending bill that would keep the government operating for the rest of the year. In scoring these victories, Daschle has a time-honored weapon at his disposal, one that Dole put to good use in the past—the filibuster. With enough party discipline, it makes the minority leader unstoppable. Whereas House Democrats have regularly fractured, Senate Democrats have yet to lose the seven defectors it would take to break a Daschle-backed filibuster.

When Daschle was elected to the job by a one-vote margin 15 months ago, virtually every Senate Democrat of stature lined up against him. The barons who lost their chairmanships in the wake of the 1994 Democratic rout quietly recruited Connecticut's Chris Dodd to run against him, arguing that someone with Daschle's inexperience would be no match for Gingrich's gale-force approach to legislating or Dole's awesome mastery of the game.

But amid the towering egos of the Senate, what works for Daschle is something entirely different: he has inexhaustible patience for finding a consensus. "He gets everybody; he doesn't lose anybody," says West Virginia's Jay Rockefeller. "That's easier when you're in the minority, but for Democrats, it's never easy." Daschle's colleagues still question whether the quiet tenacity that has served him so well as an obstructionist will become a liability if the Democrats regain control of the Senate and are once again called upon to set the agenda, rather than thwart it. For now, though, even the Republicans acknowledge Daschle's effectiveness, at least in a backhanded way. "They made us jump a lot of hoops," says Dole. But then Dole knows better than anyone else the value of that tactic. "That's part of leadership," he adds. —***By Karen Tumulty/Washington***



DIGITAL COMPOSITION WITH PHOTOGRAPHS BY TERRY ASHE (3), BLOOM—SABA (3), STEVE LISS, QUESADA—MATRIX, EDDIE ADAMS

The Lone Ranger

Bob Dole was never one to surround himself with advisers. But now? They've got him surrounded

By **MICHAEL DUFFY** WASHINGTON

IN THE MOMENTS THAT HAVE MATTERED most in Bob Dole's life, he has found himself alone. He was alone when he charged up a rocky hill to a German machine-gun nest, to be torn apart by an artillery shell. That experience took him to places where no one could help him. The surgeons could do only so much. His mother, who would have done anything for him, couldn't do anything when she came upon him hanging from the rafters of their garage by his shattered arm, trying to make it work again.

Twice before he has lost his party's nomination, and now that he is finally on the verge of clinching it, he finds himself again alone in a place he has never been before: in the finals, facing a formidable incumbent President. The new experience has left the Candidate of Experience "somewhat off balance," says a top aide, a little unsure of his next move. So early next month Dole is going to take a week off, fly to Florida, sit in the sun outside his condominium and then gather around him a group of wise men and women to think through the campaign. Just holding such a meeting is unusual for Dole, who has never been quick to seek or take advice. "He has no peers," says a top aide. "He has colleagues; he has friends. But all his real peers are dead. He's outlived them all."

Dole has captured one of politics' greatest prizes without one of the most important ingredients of any successful campaign: a tight circle of trusted advisers who can tell him when he's right, when he's wrong and when he needs to shape up. Dole simply believes he knows more about politics than anyone else. The last man whose advice he wholly trusted was Richard Nixon. "That was the only time I ever saw him sit up and sit still for more than 10 minutes and listen," said Tom Korologos, describing a trip the two men made to the sage of Saddle River a few years back. Otherwise, Dole has preferred to keep his own counsel and even make fun of anyone who tries to change him. When an aide recently gave him an advance text of a speech, the candidate quipped with trademark sarcasm, "Let me show this to my council of advisers." He pushes back when pushed too hard. When Senator Al D'Amato of New York urged Dole two weeks ago to attend a debate before the Texas primary—"You gotta go," D'Amato said, "you gotta go"—Dole teased, "Well, if you want me to, I won't."

After 35 years in Washington, Dole has an astonishingly small circle. He has a coterie of old friends, including Democratic Party viceroy Bob Strauss and Archer Daniels Midland Co. chairman Dwayne Andreas, but he does not seek their counsel. Other than his wife Elizabeth, who is an ad hoc adviser on nearly everything, Dole's inner circle is made up of Senators Pete Domenici of New Mexico, John McCain of Arizona and Bob Bennett of Utah, and even they say they are not sure what he absorbs. He taps experts on specific policy matters when he needs them—including his chief of staff, Sheila Burke, and adviser Robert Lighthizer—but does most of the political thinking himself.

Whether or not he goes looking for advice, advisers come looking for him. Two weeks ago, a group of Senators approached Dole and urged him to use them regularly as sounding boards. A few days later, they faxed talking points on trade and other matters to his campaign plane; Dole surprised them by using the material. Meanwhile, campaign manager Scott Reed has reached out to a group of elected officials, from House Speaker Newt Gingrich to New Hampshire Governor Steve Merrill, to help Dole sharpen his message.

People who aspire to counsel him have learned they must do it obliquely. Before the South Carolina debate in February, McCain urged Dole to smile more, and like a high school drama coach, he planted himself in the front row and smiled widely through the entire forum. Two weeks ago, Dole was diluting the emotional high point of his speech—his painful convalescence—by rambling on about other things, like Bosnia. Utah's Bennett, who was traveling with Dole, waited a few hours after one run-on speech and then pulled Dole aside in a relaxed moment. "When you've told the story of Russell," said Bennett, "the speech is over. That's it." At the next event, Dole brought the room to a hush with the story of his recovery; he was clearly "aching" to go on, recalls Bennett, but closed quickly with "God bless America."

Members of Dole's inner circle don't know if any of this advice will stick. When he returned to the Senate Wednesday morning, dozens of his colleagues were waiting outside his office with ideas about how to beat Bill Clinton. They grabbed him in the halls and cornered him at lunch and handed him notes, so that by afternoon he had to flee the building for a little peace. But if he doesn't always heed would-be advisers, Dole at least remembers what they say: it's a skill he learned long ago, by himself, when he couldn't write things down. ■

How (Very) Green Was My Valley

Bottoming out in the presidential race can still pay off big time for the losing candidates

By RICHARD LACAYO

WHAT WITH STEVE FORBES AND ROSS Perot, a lot has been said lately about rich men crowding into presidential politics. But that misses half the story. An unsuccessful run for the White House is a matchless opportunity to acquire wealth, not just flaunt it. In war it may still be the victors who get the spoils. In presidential politics, losing pays better. Whoever wins in November can look forward to a $200,000 annual salary, a White House ringed with tank barriers and a Camp David getaway that's been described as "a medium-quality boys' camp without the horses." The also-rans are in the fast lane to Candy Land.

First the speaking fees. Robert Barnett is the contract negotiator for vice-presidential losers Geraldine Ferraro and Dan Quayle and First Lady coulda-been Kitty Dukakis. In his calculation, an articulate candidate who departs the field with an honorable discharge—no scandals, a statistically detectable base of voter support—"can do five or six speeches a month, at fees ranging from $10,000 to $30,000 a speech, for a year at a minimum." Arithmetic: $600,000 to $2.1 million in the first year.

Books? Publishing insiders say a high-profile candidate could command an advance of $300,000 and more. What's a high-profile candidate? One with controversial positions and some success among angry voters. Publisher Judith Regan, whose celebrity authors include Rush Limbaugh, Howard Stern and O.J. prosecutor Chris Darden, sums up the field, "When I look at Lamar Alexander, I don't say, '*Aaah*, book.' When I look at Steve Forbes and Pat Buchanan, I say, '*Aaaah*, book.'"

But not just any book. Publishing sources say that a few years ago, Buchanan attempted to shop around a weighty manuscript on his 1992 campaign. No takers. A dutiful account of a short-lived presidential bid didn't look like a good bet. Buchanan might do better this time, says a prominent editor, if he offered a book on "how Dole and the Establishment tried to force him out of the race."

The third of the big-three cash streams is broadcasting. In his last 13 months on *Crossfire*, Buchanan made $367,350. When his campaign is over, says CNN spokesman Steve Haworth, "we very much hope to have him back." No doubt they do, but Pitchfork Pat's higher name recognition should make his fees negotiable. He could also take a second crack at radio. Hugh Rodham, formerly a Florida Senate candidate and still the brother of the First Lady, launched a show of his own in December that's already on 43 stations. Buchanan's talk show last year was picked up by more than 100 stations, enough for a $232,000 payday. A realistic goal now would be to overtake the 125 that carry defeated Senate candidate and radio talker Oliver North. Impassioned also-ran Alan Keyes, who used to host a talk show heard in 10 markets, could also return to the mike.

But what do you get for Forbes, the man who has everything? Product placement. Whatever else it was, the Forbes campaign was effectively a *Forbes* campaign, a six-month promo for the candidate's business magazine. In the long run, the boost in name recognition for his publication could well be worth more than the $30 million Forbes spent on the race. (Compare it, for instance, with the $150 million Ford Motors spent last year to relaunch the redesigned Taurus.) But to realize the advantage, Forbes may have to return full-time to publishing. In the first two months of this year, while he was away from the office, ad pages dropped 23% from the comparable period in 1995.

Media execs agree that whatever the candidates do to cash in, they had best do it soon. Old candidates have a limited shelf life. How limited? We'll know this summer when bookstores get Gary Hart's *The Patriot: An Exhortation to Liberate America from the Barbarians*. Free Press editorial director Adam Bellow, his publisher, says it's modeled on Machiavelli's *The Prince*: "He provides a world view and political advice to anyone running for office in the current media-saturated environment." That environment, plus Donna Rice, was the very thing that undid Hart's candidacy in 1988. How come he didn't write about it then? "Well," says Bellow, "it took him a decade to fully grasp the implications." Somebody should have bought him a calculator. —*Reported by Tom Curry/New York and Jeffrey H. Birnbaum/Washington*

ALAN KEYES

KIM KULISH—SABA FOR TIME

HOW MUCH HE SPENT
$1.8 MILLION
(AS OF JAN. 31)

WHAT HE WILL GET OUT OF IT
A doubling of his speaking fees, from $7,500 to $15,000

WHAT ELSE HE COULD HAVE BOUGHT
A 20% stake in an AM radio station in Columbus, Ohio

STEVE FORBES

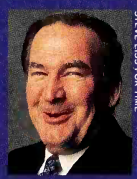
RICK MAIMAN—SYGMA

HOW MUCH HE SPENT
$30 MILLION
(ESTIMATED)

WHAT HE WILL GET OUT OF IT
Prestige, influence on next year's tax debate in Congress, wider name-brand recognition for his magazines

WHAT ELSE HE COULD HAVE BOUGHT
75,000 years of tax-preparation services at H&R Block OR 75,853 22-karat-gold Krugerrands OR two Highlander-type yachts, plus $2 million worth of fuel to run them

PATRICK BUCHANAN



STEVE LISS FOR TIME

HOW MUCH HE SPENT
$10.6 MILLION
(AS OF JAN. 31)

WHAT HE WILL GET OUT OF IT
A $300,000 publisher's advance for a forthcoming book, if he chooses to write one

WHAT ELSE HE COULD HAVE BOUGHT
A 236-acre prime Napa Valley vineyard (which could produce 885,000 bottles of Chardonnay a year) OR 79 Mercedes-Benz S-600 luxury four-door sedans OR 73,311 black felt Stetson cowboy hats

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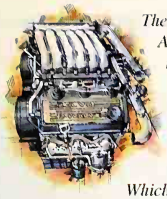
Delicious.



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The four-speed automatic transmission with selectable overdrive, standard on the ES model, is silky-smooth and even incorporates adaptive capabilities that help it adjust to driving habits and conditions.

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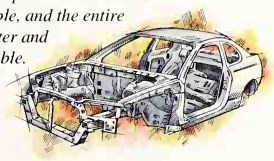

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By KARSTEN PRAGER

WAKING UP TO THE CHI

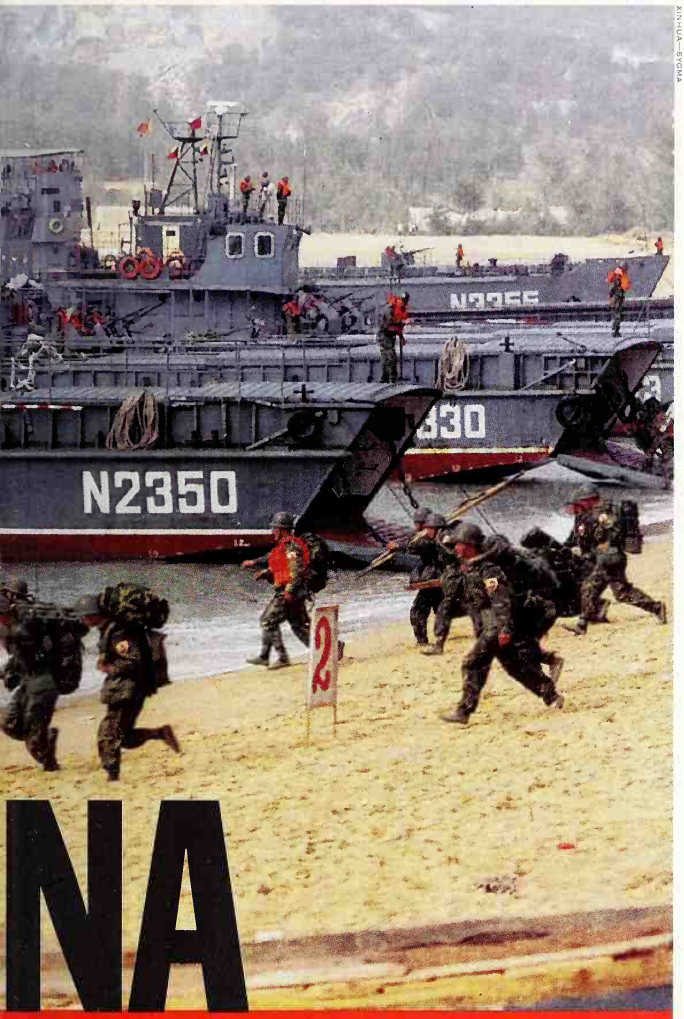
Containment will never work. Appeasement

CHINESE TROOPS LAUNCHING missiles that splash down perilously close to Taiwan and put its armed forces on high alert. A U.S carrier task force cruising the area, another sailing toward it. Washington assessing whether—and how—it might have to help Taiwan should the island be attacked by China. These are the most serious signals to date about the state of relations between the world's sole remaining superpower and its sole up-and-coming superpower. One misstep and one misperception after another in recent years have bumped the U.S. and China closer to crisis. The latest rupture has been triggered by China's harsh warning to Taiwan, underlined by war games offshore, that it must remain committed to eventual reunification and squelch whatever dreams of independence it might be harboring. True, what is happening off Taiwan is pantomime rather than confrontation: eager to avoid a clash, both sides are merely using their military to lend muscle to political messages. But to date neither Washington nor Beijing has given much indication that it knows the other well enough to ensure that pantomime belligerence does not someday give way to the real thing.

Over the next decade—or two or three—China will be at the top rung of American foreign-policy challenges. As a rising nation, like others before it, China is demanding respect in proportion to its strength. That would be reason enough for increased concern in the U.S.—and Asian countries—but Washington has a wider range of interests at stake where China is concerned.

Foremost is trade. The U.S. and China, a huge and largely untapped market of 1.2 billion people, now do $50 billion worth of business with each other. Beyond that, the enormous amount of U.S. commerce with Asia as a whole gives Washington even more reason to discourage China from intimidating its neighbors, to say nothing of starting a war. China poses a particular security worry because it has atomic weapons and has sent nuclear technology to other countries. Finally, the U.S. has both a moral and a realpolitik interest in seeing China improve its human-rights record. Encouraging the establishment of democracy and the rule of law not only satisfies America's sense of mission in the world but, if successful, would make China more stable.

China is not Haiti or Bosnia, places where America's involvement may be de-



XINHUA—SIPA

SHOW OF FORCE: Chinese troops made their point late last year during amphibious exercises on the Fujian coast facing Taiwan

NA

NEXT SUPERPOWER

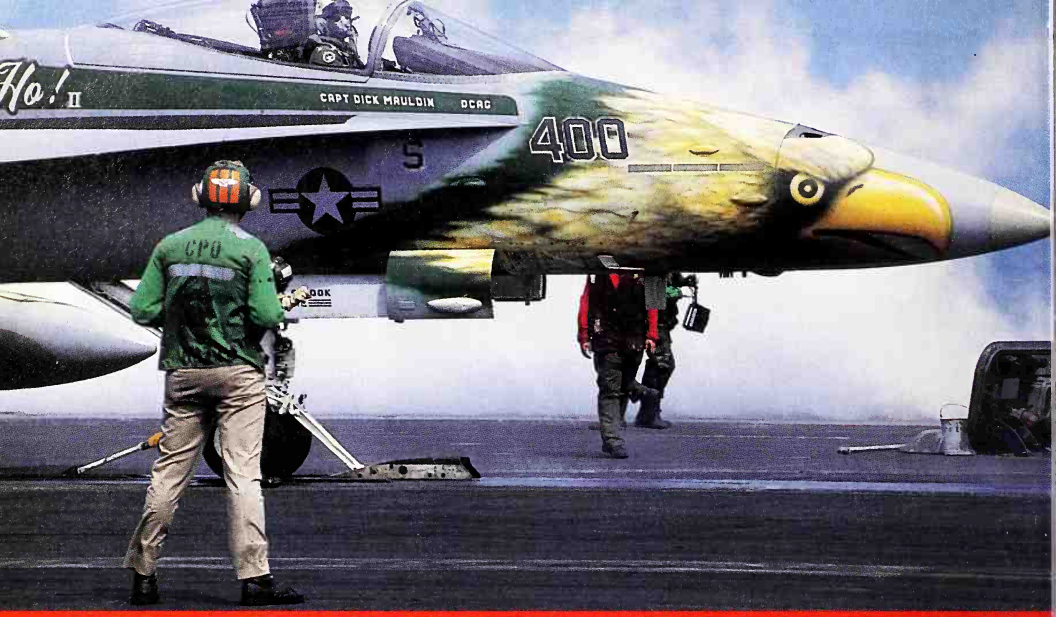
will never work. What should Washington do?

sirable but is ultimately optional. China is not optional. A half-century after World War II, the U.S. remains the dominant power in the Pacific, and to the degree that it tries to maintain influence there, it will inevitably knock up against China's rising importance. The peace and prosperity of the world in the next century depend in many ways on what Beijing does. How should the U.S. handle it? There are essentially two prescriptions: a policy called comprehensive engagement, and one that goes under the old cold-war name, containment.

The goal of comprehensive engagement, the approach pursued by all U.S. Presidents since Richard Nixon, is to bring China into the world community through broadly based dialogue and diplomacy; an example is the Pentagon's policy of expanding contacts with the Chinese military through naval visits and official exchanges. Admiral R.J. Zlatoper, the commander in chief of the U.S. Pacific fleet, has made a priority of better military-to-military relations. "I see myself as a missionary, not just a war fighter," he says. "I sense on the Chinese side an equal interest in being engaged with us."

The advocates of containment are led by an odd-bedfellow alliance of human-rights activists and old cold warriors. "Both [Senator Edward] Kennedy and [Senator Jesse] Helms are in a pro-Taiwan mode," says a senior U.S. official, "the former because of China's appalling human-rights record, the latter because Taiwan is the last anticommunist country in the world." Angered by what they interpret as Beijing's uncompromising, uncooperative behavior, the containment forces are convinced China is a bully that needs to be disciplined, not indulged. They urge that the U.S. get tough and stop acquiescing. Says former Secretary of Defense Caspar Weinberger: "Their whole foreign policy has turned suddenly much more aggressive, and that bodes no good for the nature of any people."

Across the board, the critics contend that comprehensive engagement has amounted to giving in to China whenever the two countries have come into conflict. To some degree, the record over the past few years bears that out. China's responses to Washington's efforts have been "a mixed bag," says a State Department official. The U.S. has been quietly appreciative of Beijing's cutoff of military assistance to the Khmer Rouge in Cambodia in 1990, of its cooperation in the apparently successful



ABOARD THE *U.S.S. INDEPENDENCE*: While the Chinese played out their war games, U.S. forces exercised in the nearby Philippine Sea

GREG DAVIS FOR TIME

effort to freeze North Korea's nuclear-weapons program and of its restraint in using its U.N. Security Council veto against U.S. initiatives. But Washington remains utterly frustrated by insensitivity—if not outright resistance—to other American concerns where China is giving little ground or no ground at all.

In 1993 President Clinton "delinked" Beijing's human-rights record from the annual decision on whether to grant China most-favored-nation trading status. The rationale was that repeated attempts to deny this status had not only made China more recalcitrant but also threatened to hurt U.S. business in China. By reinforcing trade ties, the Administration argued, the U.S. would be in a better position to influence China on human rights. But China's record has not improved. The State Department's latest annual report, made public two weeks ago, talks of "widespread and well-documented abuses," particularly in Tibet.

Beijing has continued to test atomic weapons, transferred nuclear-arms technology to Pakistan and sold missiles to Iran. Clinton is still deciding whether to impose certain economic sanctions on China to punish it for the Pakistan deal, as the law requires, or to waive such penalties as he has in similar circumstances. On the trade front, there is also disappointing news: estimates of the U.S. trade deficit with China range from $20 billion to $35 billion, depending on how Hong Kong transshipments are counted; moreover, Beijing has failed to vigorously enforce agreements with the U.S. that outlaw piracy of videos, CDs and software.

Meanwhile, despite assurances that it seeks a negotiated solution, China has rattled its neighbors by claiming sovereignty over the Spratly Islands in the South China Sea, where six countries have competing territorial claims. It has also repeatedly interfered in the affairs of Hong Kong, the British colony that will return to Chinese sovereignty next year, supposedly with a "high degree of autonomy."

Beijing is also building up its military. In 1979 Deng Xiaoping told the generals and admirals of the People's Liberation Army that they would have to wait 10 years before they could collect their share of the wealth created by modernization. With the military's needs relegated to the lowest rung in his grand reform scheme, the defense budget was effectively frozen, and manpower was pared down from 4 million to 3 million. "Now the bill has come due," says a Washington analyst, "and the post-Deng leadership is paying."

Washington knows China is playing catch-up and is not overly worried about the military expansion: by most estimates it will be at least two decades before Beijing has the capacity—specifically a blue-water navy—to project power at a distance. That could change, of course. Last year an unofficial study, not endorsed by the U.S. Defense Department, concluded that "Chinese military officials believe the present gap in their capabilities is temporary and the long-term goal is to be a global military peer of the U.S." The Clinton Administration is assessing whether to sell China technology to build turbine engines that some experts think could be used to power cruise missiles. Such weapons, according to U.S. Navy officials, played a decisive role in a classified war game, simulated in 1994, in which Chinese forces "defeated" the U.S. Seventh Fleet in 2010. Later this year, the National Defense University in Washington will publish a study that estimates that China could surpass the U.S. as a superpower in 35 years.

By tolerating the ways in which China acts against U.S. interests, the Clinton Administration would seem to be engaged in a very generous form of comprehensive engagement. That is not how the Chinese see it. As far as they are concerned, Clinton's policy is containment by another name. Not only have Washington's harangues on human rights rankled, but there have been other sources of friction. Because of pressure from the U.S., Beijing believes, it lost its bid to host the 2000 Olympics, which went instead to Sydney, Australia. Washington has blocked China's membership in the World Trade Organization, which Beijing wants as a venue for

reconciling trade disputes and obtaining more favorable tariff treatment. The U.S. has also explored a closer military relationship with India, against which China fought a war in 1962, and last year established full diplomatic relations with Vietnam, a traditional enemy that repulsed a Chinese invasion in 1979.

James Lilley, a former U.S. ambassador to China, explains, "China sees America snuggling up to India and kicking Pakistan in the shins, recognizing Vietnam, selling F-16s to Taiwan, walking hand in hand with Japan into the 21st century, wanting a united Korea under Seoul allied with the U.S." What does it look like from the Chinese perspective? Lilley answers his own question: "A ring around China."

All this must be viewed in the context of Beijing's current state of fragility, with Deng Xiaoping on his deathbed and his designated successor, Jiang Zemin, not firmly in control. Despite the government's success in raising the standard of living, its problem list is long: money-losing state enterprises, more than 100 million basically unemployed migrant workers, rampant corruption, growing gaps between rich and poor as well as between the booming coastal provinces and the neglected hinterland—all tinder for potential social unrest. Perhaps most important, an ideologically bankrupt Communist Party is relying on repression and nationalism to keep itself in power and the country united.

Small wonder that U.S.-China exchanges, as Lilley puts it, are a "dialogue of the deaf." Weakened initially by the end of cold-war pressure to cooperate against the former Soviet Union, the relationship is in its worst shape since the Tiananmen massacre in 1989.

What should the U.S. do? For all the setbacks, over the long run, comprehensive engagement, in a more muscular form than that practiced in recent years, has the best chance of creating a balanced, fruitful relationship. The U.S. should be hard-nosed on nuclear proliferation and intellectual-property rights, and may find it advantageous to enlist friends' and allies' support in that endeavor instead of going it alone. In the more sensitive area of human rights, a breakthrough will probably have to await the arrival of a new generation of leaders in Beijing, but the U.S. should acknowledge whatever little progress China has made. Says Burt Levin, a veteran China analyst and former U.S. diplomat: "Chinese citizens have greater freedom today than they have had in 50 years. To be oblivious to that is foolish." Comprehensive engagement, sums up Secretary of Defense William Perry, "does not mean that the U.S. will acquiesce to [Chinese] actions with which we disagree. But we will not try to isolate China over these issues. You cannot isolate a country with more than a billion people."

Last year Joseph Nye, who has since retired as Assistant Secretary of Defense, warned, "If you treat China as an enemy, China will become an enemy." A containment policy such as the one the U.S. used to hem in Moscow, says Perry, "could actually undermine our security, because a China that feels encircled is quite unlikely to cooperate on vital U.S. security interests. Containment could create those security problems. It could push China to accelerate its defense modernization, which would contribute to a regional arms race, increasing the likelihood of military conflict in hot spots like Taiwan, the Spratly Islands, the Korean peninsula."

Containment could also spark a trade war, in which the U.S. and China might close their markets to each other, with ripples spreading to other countries in the Pacific. Equally important, a hard-line policy toward Beijing would put stress on U.S. alliances in the region. "Not a single friend and ally would join us in such a strategy," suggests a ranking Ad-

CHINA'S MILITARY: LOOKS GOOD ON PAPER

2.9 million	Troops are poorly trained for modern warfare. Weaponry is 10 to 20 years out of date
7,500 to 8,000	Most tanks are a modified version of the Russian T-54 first built in 1947: slow, small, poorly armored
50	Navy is small (U.S. has 137 warships) and suitable only for protecting the coast; only seven warships are modern
52	Aging diesel submarines; Russian-built Kilos that are quiet, fast and able to spend 60 days at sea have been ordered
4,970	Combat planes are re-engineered Soviet-designed aircraft produced in the 1960s and '70s. No airborne radar and warning capability
17 ICBM 70 IRBM	Intercontinental missiles have ranges of 9,300 miles (15,000 km) and 4,350 miles (7,000 km). Intermediates have ranges of 1,700 miles (2,700 km) and 1,120 miles (1,800 km)

Source: *Military Balance*

DANGEROUS GAMES

ministration official. "We'd be all alone, and that would cause severe strains with Japan, South Korea, Australia and in Southeast Asia." Singapore Senior Minister Lee Kuan Yew, an astute analyst of the region, takes the point a step further: "The last thing Asia wants is containment. First, it will not succeed. Second, you will have absolutely no influence on how China and its attitudes develop: it will be hostile and xenophobic to the West, and that's no good for us." Says Levin: "Dealing with China as an enemy strengthens the know-nothings in Beijing and means that the pragmatists are no longer willing to carry America's water."

For engagement to work, however, the U.S. must maintain its military presence in Asia. The U.S. Pacific Command comprises 200 ships, 2,000 aircraft and 300,000 soldiers, sailors, airmen and Marines, of whom 100,000 are "forward deployed" in South Korea, Japan and at sea. As long as there is a danger of war on the Korean peninsula, a drawdown of U.S. forces is unlikely; in the meantime, they help stabilize the entire region. The presence of 47,000 U.S. troops in Japan, for example, reassures not only Tokyo, which is carefully monitoring its great neighbor's rise to power, but even China, which along with other Asian countries is worried about Japan's rearming. "We are concerned about what kind of China will emerge," says Singapore's Lee. "The problem is of such gigantic size that it is not solvable in the Asian context alone. It is balanced only if the Americans are here, along with Japan. America alone is credible for 10, maybe 15 years, but not beyond."

Right now, the key test case for America's China policy is Taiwan. On March 23, it will hold a presidential vote—the first time in the 4,000 years of Chinese history that a leader will be chosen in a free election. The winner is likely to be Lee Teng-hui, the current President, who has infuriated Beijing by seeking greater international recognition for Taiwan. Beijing insists that the island is part of China and eventually it will be reintegrated. Lee, at least officially, accepts the objective of reunification, although Beijing and his political opponents at home have been questioning his sincerity.

The U.S. too is pledged to a one-China policy, but Beijing has come to suspect that Washington is backing away from it. When the U.S. granted Lee Teng-hui a visa last year for a private visit to his alma mater, Cornell University, Beijing was irate. Hardliners and moderates in the leadership may disagree on any number of questions, but they are of one mind when it comes to sovereignty over Taiwan; there is no room for compromise. "No leader in Beijing," says Ralph Cossa, executive director of Pacific Forum CSIS, a Honolulu think tank, "could survive if he lost Taiwan." Beijing's current missile diplomacy backs up earlier warnings by President Jiang that Taiwan must stick to the one-China policy and that a declaration of independence means war.

LES STONE—SYGMA FOR TIME

STREETS OF TAIPEI: Demonstrators voice a firm no to missile diplomacy

While the U.S. acknowledges that the island is part of China, it is also pledged to view an attack on it with "grave concern"—a purposely ambiguous statement that not only angers America's containment advocates but also frustrates Beijing. When Chinese officials felt out Nye in late 1995 about a U.S. reaction if China were to threaten Taiwan, he told them, "Nobody knows." In a later interview with TIME, he elaborated, saying, "There's less ambiguity here than meets the eye. But we don't want either side to rock the boat. We don't want Taiwan to declare independence, which would be the case if we gave it a blank check, and we don't want the Chinese to use aggressive tactics, which would be the case if we gave them a blank check. I told the Chinese that Americans are unpredictable: even if we said we wouldn't defend Taiwan, the U.S. Congress and the American public might change their minds. The moral of the story is, be very cautious. As you saw in 1950—when we said we weren't going to do anything in Korea—we were at war within the year."

The generals in Beijing, says Andrew Nien-Dzu Yang, a Taiwan specialist on the Chinese military, "don't want a confrontation with the U.S.," but some of Beijing's rhetoric about the U.S. commitment to Taiwan has had a harsh tone. Whether with pure bluster or a touch of psy-war, a member of the general staff late last year told Chas. W. Freeman, a former U.S. diplomat in Beijing and Assistant Secretary of Defense, that "America will not sacrifice Los Angeles to protect Taiwan."

At this point China lacks the military capability to bring off a successful invasion of a well-defended Taiwan. Even if the Chinese had the amphibious equipment needed to move large numbers of troops across the 100-mile Taiwan Strait, U.S. military experts estimate that Beijing would have to deploy half a million men for a victorious assault and that casualties would be in the range of 50%. True, China could seriously damage Taiwan's economy with a naval blockade or sporadic missile strikes, but it would also suffer by losing foreign support, particularly the substantial Taiwanese investment on the mainland—$29 billion, by most estimates.

For now, war almost certainly is not on Beijing's mind. According to one Chinese official, "While we have contingency plans on Taiwan, we do not intend to invade Taiwan." As matters stand, the likely scenario is that Taiwan will have its election this Saturday; Lee will win and perhaps declare his commitment to reunification more explicitly, thereby allowing China to back off. Even Beijing agrees that reunification will not take place until some time in the future, when the societies on the two shores of the strait are more closely synchronized. The immediate crisis will pass, and the two sides will not have irreparably antagonized each other. But how will they fare at resolving the next conflict when it comes along, as it surely will? Comprehensive engagement may still be the right path, but it would yield better results if both sides also engaged in more mutual comprehension. ***—With reporting by Lewis M. Simons and Mark Thompson/ Washington***

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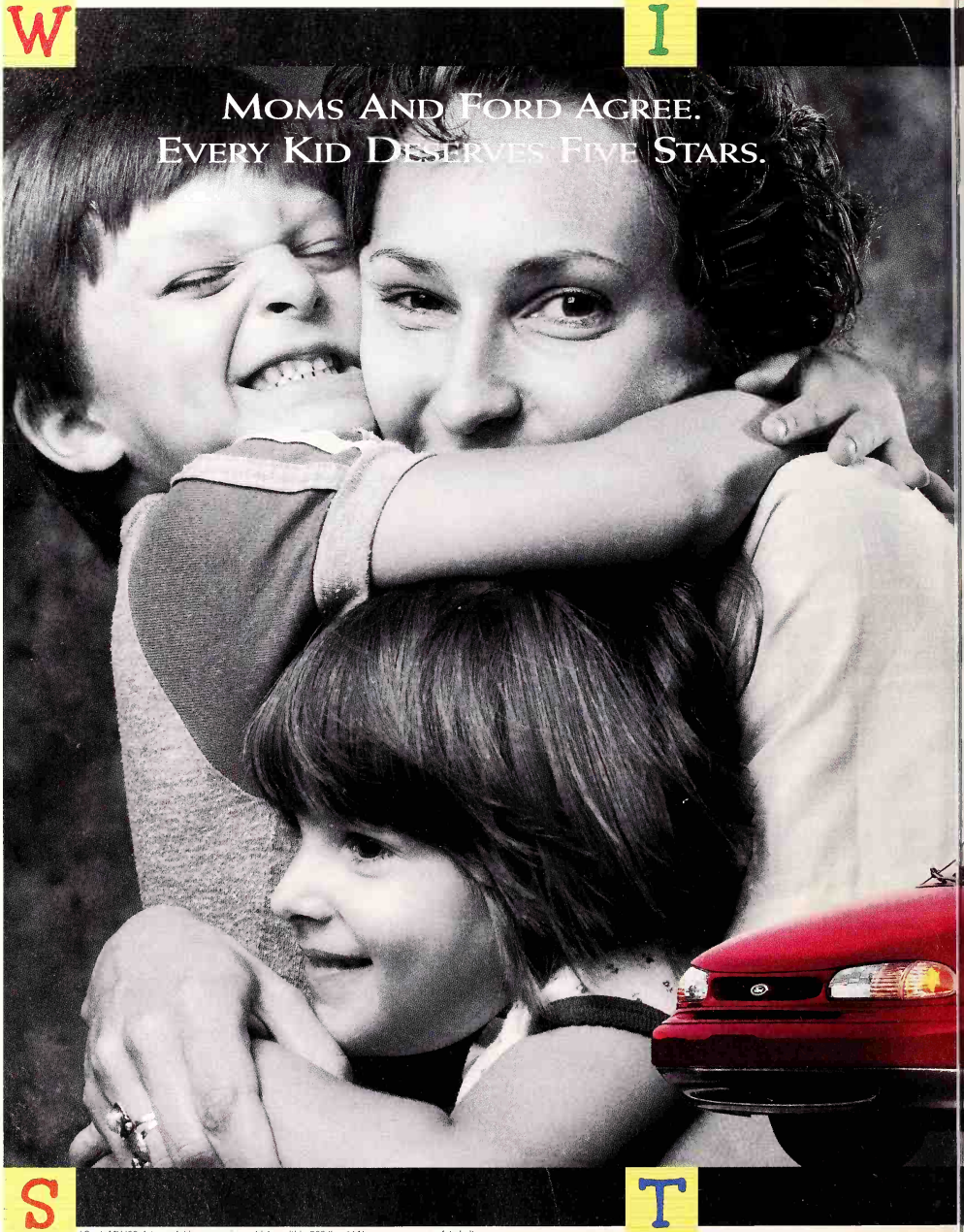

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The Lost Children

A monster goes on the rampage, and a small town in Scotland is scarred forever

By JAMES O. JACKSON

FOR THOSE WHO STOOD, BEWILdered, on the streets of Dunblane that terrible day last week, the sight of the anguished woman is one they can never forget, a defining vision of the Scottish town's moment of horror. "Victoria!" she cried, as a convoy of ambulances sped past, sirens screaming and lights flashing. "Victoria!" That was one of the names: Victoria. Others, read out in a mournful voice by police chief superintendent Louis Munn, were as familiar and as evocative of middle-class Scottish family life: Emma, Melissa and Megan; Charlotte, Kevin, Ross and Hannah; David, Mhairi, Brett and Abigail; Emily, Sophie, John and Joanna. Ordinary names, pretty names, the names on teachers' attendance lists, on captions of school pictures, on programs for school pageants, on lineups for school games. And they are the names of the dead and maimed of Dunblane's little primary-school gymnasium where a man with a pocketful of pistols and a mind filled with hatred massacred children.

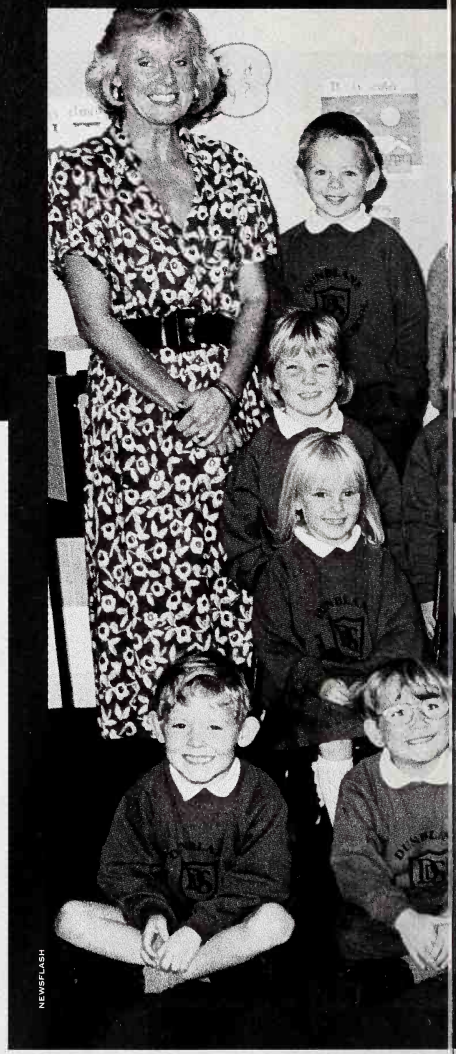
In all, 16 five- and six-year-old firstgraders and their teacher died Wednesday when a failed youth leader named Thomas Hamilton, 43, barged into the school and emptied four handguns into them as they screamed and cowered in the gymnasium. Two other teachers and 12 children were wounded, three critically, before Hamilton put one of the guns to his head and blew part of it away. Nobody can know just what monsters of the psyche drove the strange moonfaced man's mind to crack at that moment, or why he chose the gentlest, most innocent of the school's 729 pupils to be the victims of his inner torments (*see* ESSAY). For those who lived through it, the questions have but one answer. "Evil visited us yesterday," said Ron Taylor, the school's headmaster and one of the first to reach the scene of the killings. "We don't know why, we don't understand it, and I guess we never will."

So far, authorities can only put together the sequence of events that led to the evil of Dunblane. The start might be traced back as far as 1974, when Boy Scout officials dismissed Hamilton, then 21, for "inappropriate behavior" as leader of a local troop, and to subsequent incidents involving his attempts to organize boys' sports clubs in the area. Or it might have arisen from his fascination with handguns, which he obtained as long as 20 years ago and owned legally despite strict British laws. But whatever its origins, the culmination came at around 9 a.m. Wednesday when Hamilton left his shabby bachelor apartment and headed for the school. A neighbor, Kathleen Kerr, 71, said he waved to her as he stepped into a car. "He seemed cheerful and perfectly happy," she said.

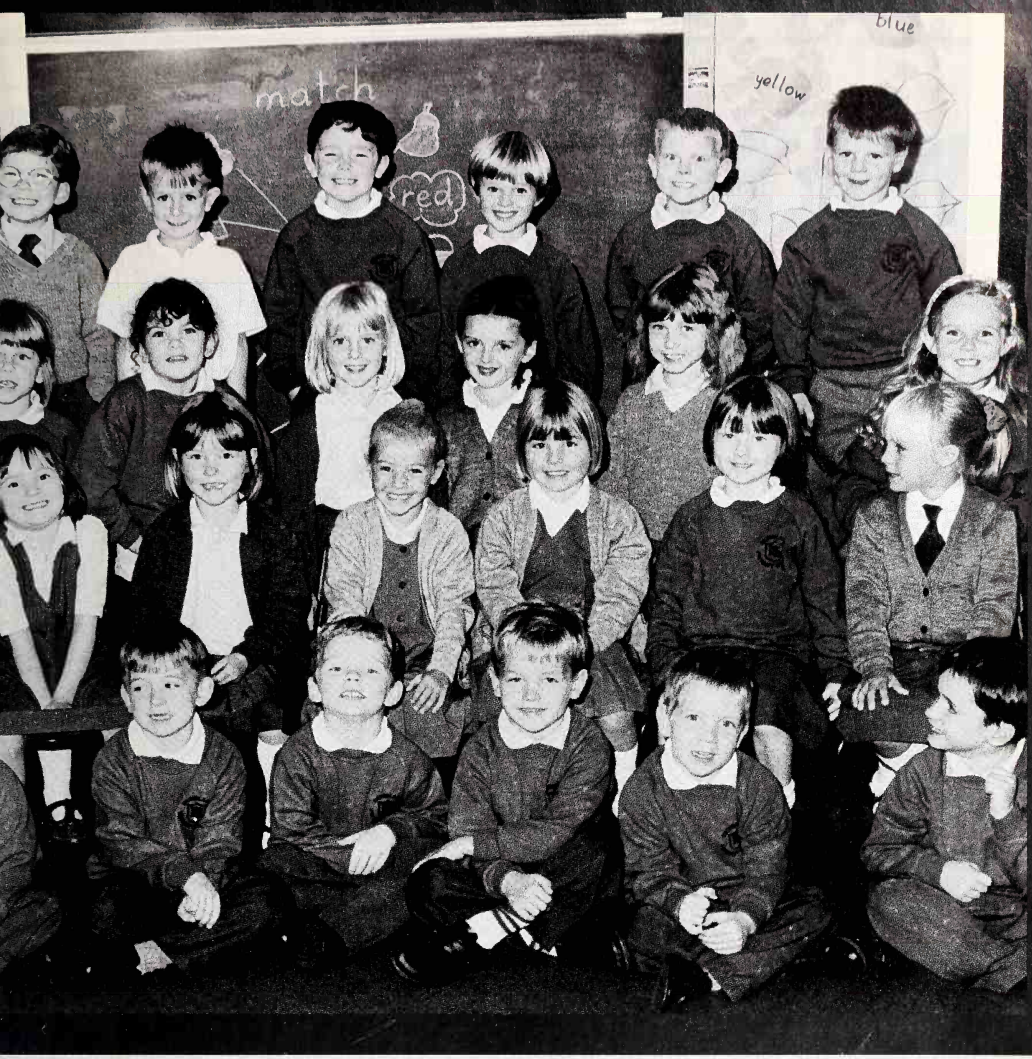
He was not. In the pockets of a black coat he carried four loaded handguns—two Browning 9-mm automatics and two .357 magnum revolvers—plus a packet of bitterly angry letters to British news organizations detailing his grievances against the town for treating him as a "pervert." He apparently stopped to mail the letters, which reached their destinations two days later. Then he went directly to the school. He was at the entrance at about 9:25 a.m.

He started shooting in the playground, then down a corridor as he made his way to the gymnasium. Firing from a corner of the room, Hamilton hit teacher Gwenne Mayor as she tried to shield the 29 children she had taken there for phys ed. She died on the spot. Then he moved around the room, methodically shooting the screaming children, chasing some as they ran and pumping at least one and sometimes three or more bullets into the little bodies. Then he retreated to a corner away from the carnage and fired the final bullet into his own brain.

Rescuers were greeted by a hellish si-



NEWSFLASH



lence: no cries, no screams, very little movement at all amid a chaos of scattered shoes, clothing, blood and painfully small bodies. "I just cannot get the images out of my head," said headmaster Taylor.

By all accounts Hamilton was odd. The woman he always believed was his sister was, in reality, his mother. His father, Thomas Watt, 65, abandoned the family when Hamilton was 18 months old. He never took interest in him again until he learned, with shock, of the killings. "I can't live with this," Watt said. "I brought this monster into the world." It was a world that proved difficult for a man whose compelling life interest appeared to be youth leadership—but who was regarded in town as a pedophile. His attempts to organize boys' clubs ended when parents withdrew their sons after hearing of Hamilton's abnormal interest in the boys' bodies. Said Gerry Fitzpatrick, 27, owner of a bar in Dunblane who attended one of the clubs in his teens: "He would make us take off our shirts all the time. He liked looking at us. There was something creepy about him."

If some thought him a "sicko" and "a loner," no one could have foreseen the depth of evil in their midst. At the local morgue, hospital chaplain Jim Benson comforted parents as they identified their children. But no words, no memorials or visits by the Queen will make it easier for a parent to comprehend that a son, a daughter is never going to wake again. After one mother looked at her dead child, she turned to Benson and said, "My baby always sleeps like that." ***—Reported by Michael Brunton/London and Barry Hillenbrand/Dunblane***

Why Subsidies Survive

Congress has surrendered in the war against corporate welfare

BRAD RICKERBY—GPA

SHIPPING **WHOM DO SUBSIDIES HELP? Shipbuilders get government support to construct vessels that the merchant fleet may not need. Yet Congress is unlikely to withdraw the funding**

By **KAREN TUMULTY** WASHINGTON

THE MILLION DOLLARS THAT TAXPAYERS spend to promote Uncle Ben's rice in Poland, Turkey and Saudi Arabia. The $2 billion government outlay that helps keep electric power a bargain in Aspen and Hilton Head. The $3 million that a cargo-ship owner can expect to pocket for making his vessel available to Uncle Sam in wartime—even though the Pentagon no longer wants it. Was it only a year ago that the full-throated budget warriors of the Republican revolution were unleashing a pitiless campaign to cut off the tens of billions of dollars expended each year on subsidies and tax breaks for big business?

Earlier this month a bipartisan group of Senators proposed creating an independent commission to handle corporate-welfare reform. This is Washington's version of "Please continue to hold. A service representative will be with you shortly." But it was the best they could do, since neither Congress nor the White House seems capable of tackling the issue.

Even that feeble effort stands little chance of being taken seriously. The urgency of balancing the budget has given way to the urgency of getting re-elected. That means politicians of both parties will be busy collecting campaign contributions from PACs and interest groups tied to the very businesses that are targets of reform.

Ending corporate handouts is one of the rare topics on which activists and think tanks from both the left and the right find agreement. By some estimates, the government funnels up to $75 billion a year to business, enough to account for almost half the federal deficit. The Agriculture Department, for instance, will spend $110 million this year to advertise overseas everything from V8 juice to Friskies, a "market promotion" budget that is almost 30% higher than in 1995. As these companies are among the world's best at marketing, "it's hard for me to believe that McDonald's needs government bureaucrats to tell them how to sell Chicken McNuggets," says Beau Boulter, chairman of the antitax group CapitolWatch.

Governments have long used subsidies as economic-development tools, particularly in nascent industries. But economists argue that in mature industries subsidies ultimately do harm by propping up inefficient and unproductive firms.

In some cases, federal help distorts the industries it seeks to stabilize. For instance, by spending billions to insulate the nation's dwindling shipbuilding industry from cheaper foreign competition, the government may be temporarily salvaging high-paying jobs. But why put more ships into the water when the ones already afloat are having trouble making a profit? Still, this Depression-era program stands a good chance of being renewed this year—in no small measure because maritime unions and business PACs have contributed more than $17 million to congressional campaigns over the past decade, according to the watchdog group Common Cause.

Last year virtually every proposal to cut corporate welfare met a quiet death at the hands of the committees that pass on spending and tax legislation. What House Budget Committee chairman John Kasich and his forces considered unjustifiable giveaways other Congressmen defended as vital to their districts. In the end, the 25 or so pro-

CAMPBELL SOUP

JAMES WORRELL FOR TIME

GOVERNMENT PAYMENT: **$1.1 million for product promotion**

REVENUES: **$6.7 billion**

NET INCOME: **$630 million**

TEXAS INSTRUMENTS

STEVEN SCHAPIRO

GOVERNMENT PAYMENT: **$13 million for military to civilian technology**

REVENUES: **$10.3 billion**

NET INCOME: **$691 million**

E & J GALLO WINERY

JAMES WORRELL FOR TIME

GOVERNMENT PAYMENT: **$2.6 million for product promotion**

REVENUES: **$1.5 billion**

NET INCOME: **N.A.**

Source: Cato Inst., IMPACT's Beverage Studies, Foreign Agriculture Service. All figures 1994

grams considered most egregious by critics from all sides—say, building logging roads for timber companies at government expense—saw their budgets nicked some $2.6 billion, or only 16%, says Stephen Moore, fiscal-policy director of the libertarian-leaning Cato Institute. And for all its denunciation of "aid to dependent corporations," the White House actually recommended a 4% increase in spending for those programs.

Kasich has pledged to renew the fight, but he has already given up at least half the battle. This year the Budget Committee will focus its effort entirely on direct payments the government makes to business, ignoring the estimated $50 billion a year Washington grants in tax breaks.

The Republicans are aware that voters will not rally to a party that doesn't extend the war on entitlements to wealthy contributors as well as less powerful interests. "It obviously harms our credibility," says Arizona Republican John McCain, a leading backer of the idea of creating an independent commission. "And that's why, over time, we're going to succeed." —***With reporting by Bernard Baumohl/New York***

A Fork in Tobacco Road

Liggett breaks ranks and settles several lawsuits. Can the other cigarette makers still hang tough?

IT BEGAN OVER A DRINK IN A NEW YORK City hotel, after two adversaries agreed to settle a hard-fought case about defective plumbing pipes. "What are you going to do next?" New York attorney Marc Kasowitz asked. Don Barrett, a Mississippi lawyer, explained that he was involved in his state's lawsuit to recoup Medicaid money spent treating smoking-related illnesses. Kasowitz quizzed him, but, says Barrett, "I didn't realize he was the personal friend and attorney for Ben LeBow." Not until a few weeks later, that is, when Kasowitz called Barrett to arrange a meeting and floated the news that his client, Bennett LeBow, majority shareholder in the Liggett Group, was ready to cut a deal.

With the announcement last week that Liggett, the smallest of the nation's five major cigarette makers, had agreed to settle the Castano class action in Louisiana on behalf of all smokers and five state Medicaid suits against cigarette makers, the landscape of tobacco litigation underwent a seismic shift. In real dollars, the terms of the agreement—Liggett will wind up paying less than $2 million a year over the next 25 years toward antismoking programs, and will comply with proposed Food and Drug Administration rules about marketing to children—have little bite. Any capitulation, however, marks a drastic change. Publicly, at least, the other tobacco companies are hanging tough. "We haven't changed our assessment on strategy, which is that we don't intend to settle these cases," says Steven Parrish, senior vice president for corporate affairs at Philip Morris.

But TIME has learned that even before news of the Liggett deal broke, other settlement feelers had gone out. Florida state senate minority leader Ken Jenne says that last Tuesday he was approached by Jon L. Shebel, president and CEO of the powerful Associated Industries of Florida, a lobbying group that includes Philip Morris, R.J. Reynolds and the Tobacco Institute. Shebel confirms that a conversation took place in which actual dollar amounts were bandied about. He admits that he mentioned payments of $105 million a year, "for a long time, maybe indefinitely," to settle the state's $1.4 billion lawsuit. He says he was not talking with Jenne at the behest of the tobacco industry, but comments, "We all know who the targets of this lawsuit are." Tobacco-industry lawyers say they know nothing of the talk. "Philip Morris doesn't want to settle," says a tobacco-industry lawyer. "We don't know what Shebel is doing."

What the other cigarette companies do is of little interest to LeBow, a takeover artist who has set his sights on R.J.R. Nabisco. "He's in it to make money," says Richard Scruggs, one of whistle-blower Jeffrey Wigand's lawyers, who is helping on the Mississippi Medicaid suit. "This is a very sophisticated business transaction by Bennett LeBow." If LeBow can force a merger between Liggett and R.J.R., then R.J.R. will participate in the settlement, moving out from under the shadow of incessant litigation, boosting its stock price and enabling LeBow to split the company's food and tobacco divisions. Even if this scheme fails, LeBow tells TIME, "it was a good economic deal for us to settle."

DENNIS COOK—AP

VICTORY: Five attorneys general agreed with Liggett to settle the Medicaid suits, and others may in the future

In fact, the costs of the settlement are about one-fifth what the company has been hemorrhaging in legal fees each year, not to mention its share of the record $4.1 million in political donations made by tobacco companies in 1995. The only losers in the great tobacco sweepstakes may be all those smokers, who will get no cash—only the chance to attend a Smokenders class on the industry's dime. —***By Elizabeth Gleick. Reported by Elisabeth Kauffman/Nashville, Elaine Rivera/New York and Elaine Shannon/Washington***

Luxury's Gaudy Times

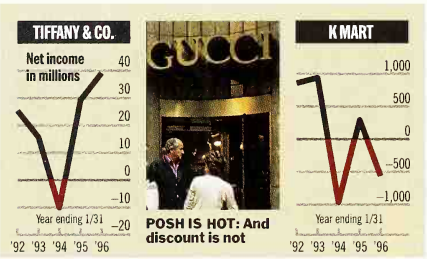
Back in form, the rich have decided that modest spending is better left to those who can afford it

By JOHN GREENWALD

IF AMERICAN CONSUMERS ARE SO WORried about their jobs and armpit-deep in debt, why do Mont Blanc's five U.S. stores keep running out of their 888 Prince Regent pens, at $5,900 a pop? And why does Chanel have a waiting list for its $2,999 double-breasted tweed dresses for spring, which have yet to reach the stores?

Well, if you have to ask, it's because the rich are back to being different. Following a brief, unsatisfying fling with modesty in the early 1990s, they've renewed their lust for luxe and are making upscale stores the brightest spot on the dowdy U.S. retail scene.

LISA QUINONES—BLACK STAR



POSH IS HOT: And discount is not

Paris designer Marie-Claude Lalique has seen this frenzy close up. When Lalique signed crystal ware and bottles of perfume at Manhattan's tony Bergdorf Goodman store last week, shoppers snapped up nearly 100 items, including $2,750 perfumes and a $4,700 vase. "In two hours we did the kind of business we normally do in six months," said an awed spokeswoman for Lalique's company.

Profits at Tiffany jumped 34%, to a record $39 million in 1995, even as mass merchants such as Caldor and Jamesway were trooping into bankruptcy court and closing hundreds of stores. Gucci, the once-moribund designer and retailer of fashion apparel, has come roaring back under Bahrain-based Investcorp, which said just last week that it plans to sell its remaining 51% stake in Gucci to the public for some $1.1 billion this year. Investcorp will also sell shares in its resurgent Saks Fifth Avenue chain this year, six years after buying the once-flagging operation.

The success of such stores reflects a widening split in the U.S. between families with moderate and middle incomes and those earning $100,000 or more. Says Maureen McGrath, who follows retailing for Smith Barney: "Affluent consumers are becoming more affluent while the less affluent are becoming less so."

This gap shows up dramatically on the selling floor. Isaac Lagnado, publisher of *Tactical Retail Monitor*, an industry newsletter, estimates that sales of designer items such as $200 Hermès scarves and $1,745 Chanel handbags grew a whopping 18% last year, to $30 billion, while sales of general merchandise—everything from toys to towels to T shirts—rose only 4.5%, to $575 billion. "The low end is tapped out," says Merrill Lynch analyst Peter Caruso. Indeed, credit-card delinquencies are at a 10-year high. And feeble sales growth has forced discounters such as Wal-Mart, K Mart and Toys R Us to squeeze pricing until the bottom line hurts; underperforming stores are being forced shut.

So while Payless ShoeSource closes or relocates some 10% of its 4,500 discount stores, Gucci can't keep enough of its $295 high-heel pumps in stock. Nor has business slowed at Geary's Beverly Hills in that California city, where tableware goes for $1,000 a setting. Geary's wrapped up its best fall/Christmas season ever last year. Crows president Bruce Meyer: "Our customers want something to separate them from the crowd."

All this marks a sea change from the sackcloth style of recent years. "The beginning of the '90s was a reaction against the glitz and conspicuous consumption of the '80s," says Valerie Steele, a professor of fashion history at the Fashion Institute of Technology in New York City. "And you saw that in the 'Gapification' of America. Now there is a return to the status of fashion, luxury and quality." And how. Just ask Chanel, where women have reserved the company's entire new line of $750 khaki pants even though the Gap offers a comparable look for about $38 a pair.

The revitalization has been paying dividends for posh brands and retailers. "We have been absolutely driven by luxury products in the past 18 months," says Rose-Marie Bravo, president of Saks Fifth Avenue. "Consumers want you to know they have it [upscale style], but they don't want to shout." As an example of this quieter elegance, Bravo points to the sleek and somber lines of Jil Sander, where a suit averages about $3,000.

That's what Chanel president Arie L. Kopelman calls investment dressing—paying big bucks for attire that can wear well and remain a fashion statement for years to come. "It's not just a phrase," Kopelman says of his coinage. "It [means] pride in ownership." He's not lacking for "investors": sales rose 20% at Chanel last year.

In the midst of anxious times, some consumers have decided that "dressing well is the best revenge," using high fashion to show they've still got their jobs and station in life. It's called "let your Ferragamos do the talking," says Isaac Lagnado. And many people are doing just that. "Business is booming across the board," says Massimo Ferragamo, president of Salvatore Ferragamo. "Sales are running 55% ahead of last year."

The top-end sellers don't see anything out there that could take the icing off their cake, and they continue to expand. At the Ferragamo men's and women's shop in Manhattan's Trump Tower, demand for such items as $825 zip-top bags and $2,260 leather jackets has grown so brisk that customers may purchase no more than 10 in any one category such as coats or pairs of shoes. Perhaps they'll just have to think of it as sharing the wealth. —***Reported by Stacy Perman/New York and Jacqueline Savaiano/Los Angeles***

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CAN MACHINES THINK?

Maybe so, as Deep Blue's chess prowess suggests. And that sparks a fresh debate about the nature of mind. Is it just neurons?

By ROBERT WRIGHT

WHEN GARRY KASPAROV FACED OFF AGAINST AN IBM COMPUTER in last month's celebrated chess match, he wasn't just after more fame and money. By his own account, the world chess champion was playing for you, me, the whole human species. He was trying, as he put it shortly before the match, to "help defend our dignity."

Nice of him to offer. But if human dignity has much to do with chess mastery, then most of us are so abject that not even Kasparov can save us. If we must vest the honor of our species in some quintessentially human feat and then defy a machine to perform it, shouldn't it be something the average human can do? Play a mediocre game of Trivial Pursuit, say? (Or *lose* to Kasparov in chess?)

Apparently not. As Kasparov suspected, his duel with Deep Blue indeed became an icon in musings on the meaning and dignity of human life. While the world monitored his narrow escape from a historic defeat—and at the same time marked the 50th birthday of the first real computer, ENIAC—he seemed to personify some kind of identity crisis that computers have induced in our species.

Maybe such a crisis is in order. It isn't just that as these machines get more powerful they do more jobs once done only by people, from financial analysis to secretarial work to world-class chess playing. It's that, in the process, they seem to underscore the generally dispiriting drift of scientific inquiry. First Copernicus said we're not the center of the universe. Then Darwin said we're just protozoans with a long list of add-ons—mere "survival machines," as modern Darwinians put it. And machines don't have souls, right? Certainly Deep Blue hasn't mentioned having one. The better these seemingly soulless machines get at doing things people do, the more plausible it seems that we could be soulless machines too.

But however logical this downbeat argument may sound, it doesn't appear to be prevailing among scholars who ponder such issues for a living. That isn't to say philosophers are suddenly resurrecting the idea of a distinct, immaterial soul that governs the body for a lifetime and then drifts off to its reward. They're philosophers, not theologians. When talking about some conceivably

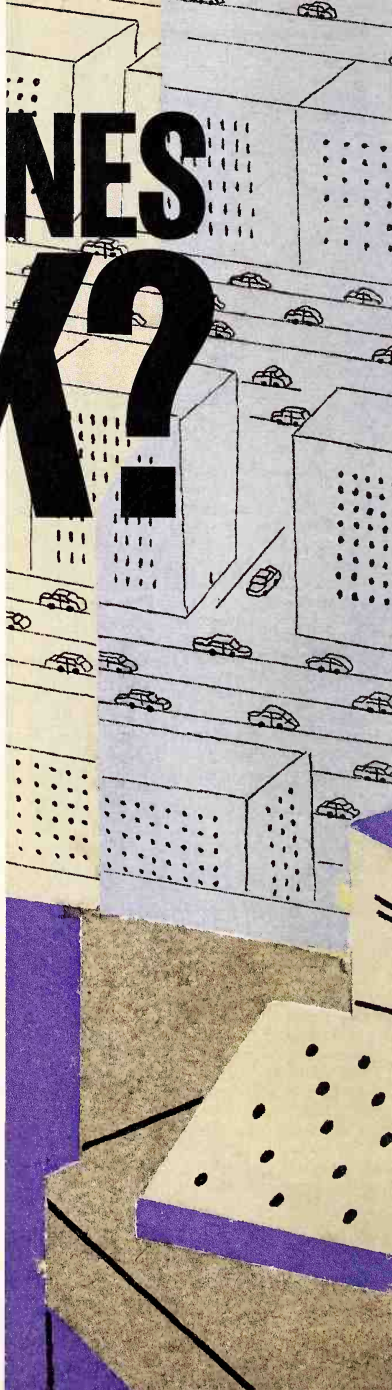
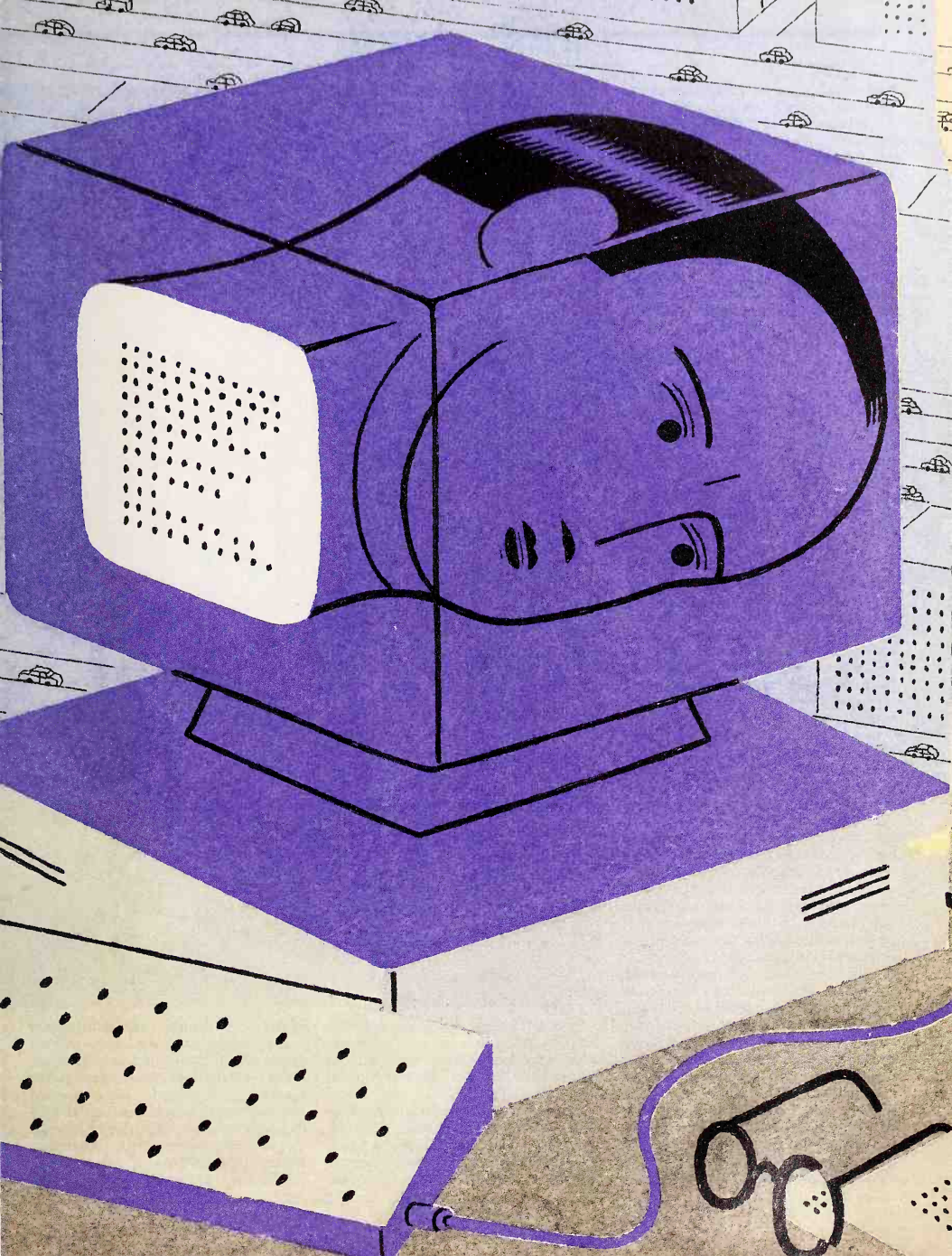


Illustration for TIME by Brian Cronin



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The Elite 100

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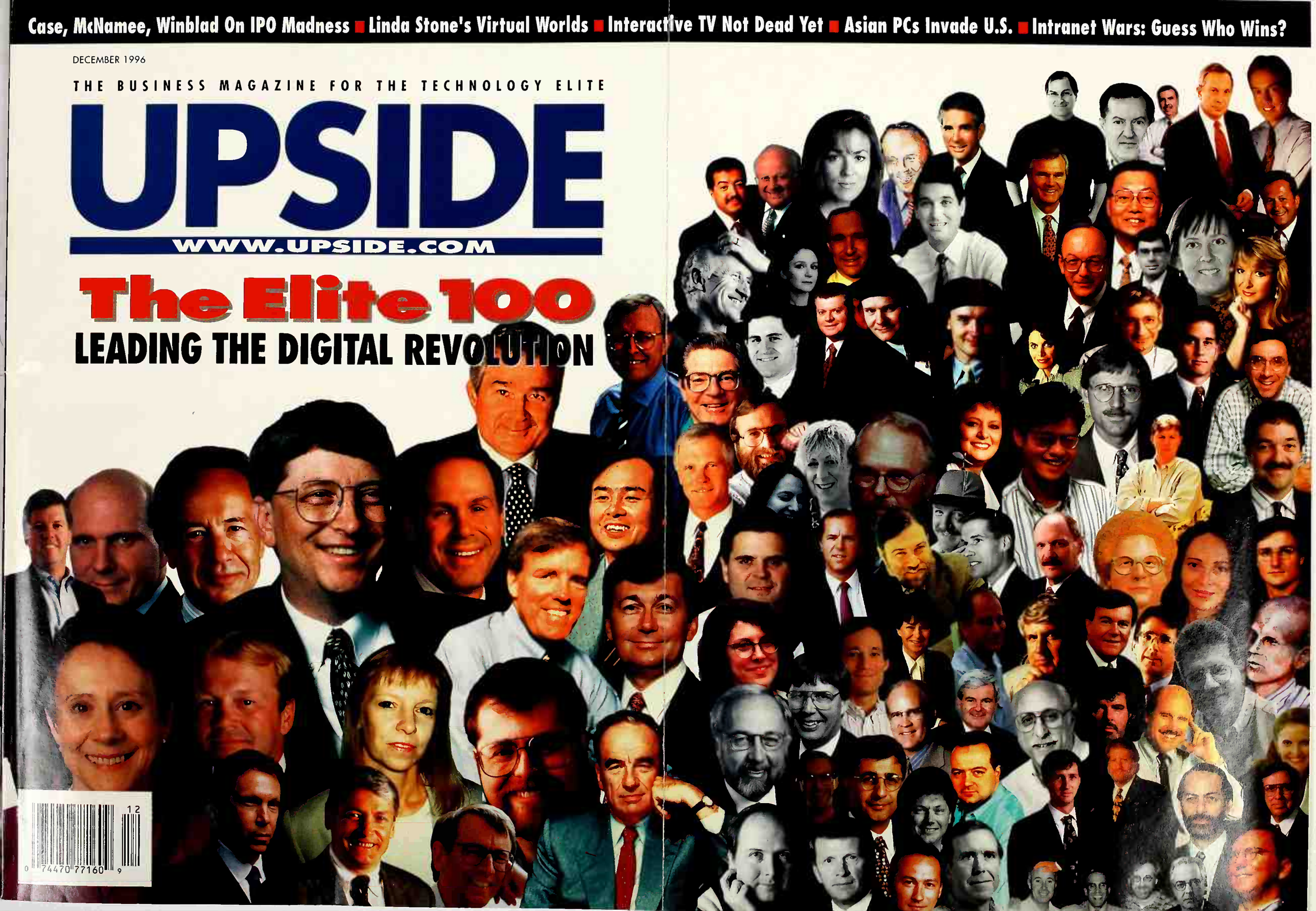

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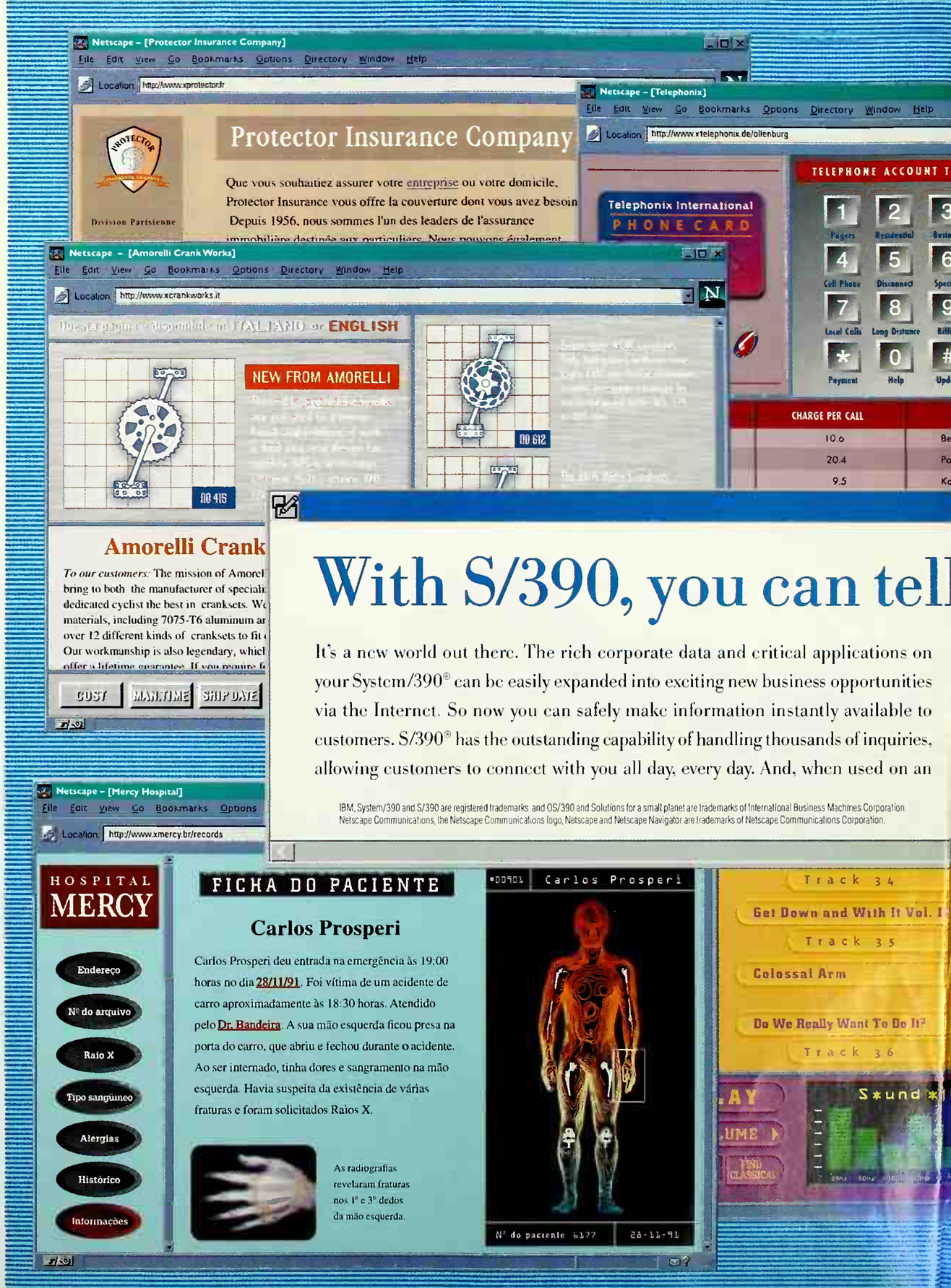

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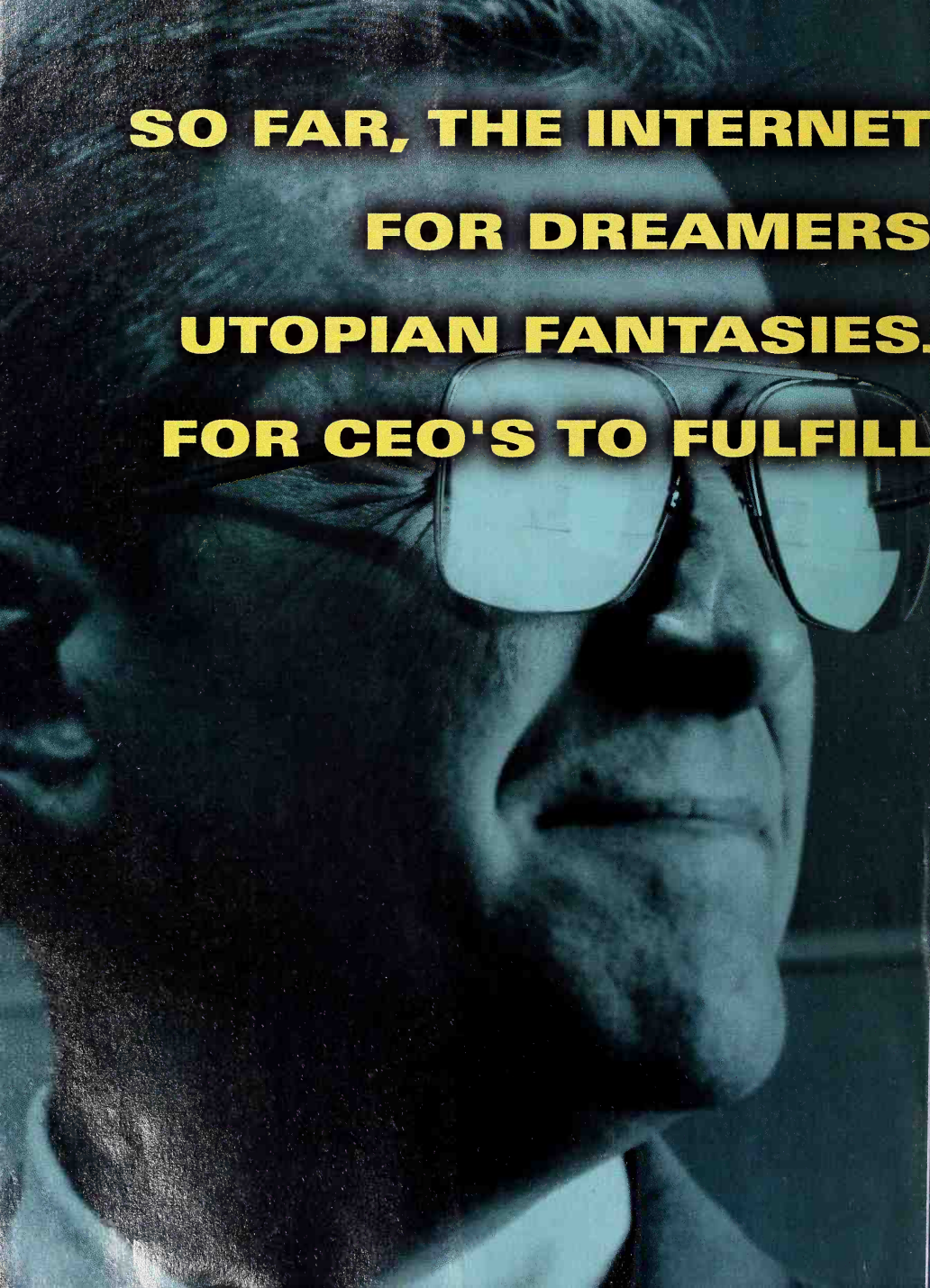
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UPSIDE'S Elite 100

BY KORA McNAUGHTON AND TISH WILLIAMS

It's been two years since the editors last hunkered down in UPSIDE's airless cell of a conference room to hash out a list of the 100 most influential people in the so-called "convergence industry" that we call our business (which includes information technology, media and telecommunications).

And now we know why. Constructing this list and getting editors' rankings caused full-scale e-mail warfare ("I can't believe Esther Dyson is number 12!"). The decision not to include people like Vint Cerf—we called him the Father of the Internet in 1994—may be heartless, but to paraphrase Janet Jackson, what has he done for us lately? The same could be said of Al Gore, upon whom we once lavished praise as "one of the information highway's biggest champions." This time around, Gore failed to register even a blip on our radar screen. Cry us a river.

Our goal is not to pay homage to an aging list of Hall of Famers, but to recognize those running the show right now. So here goes. We've ranked them so you can waste time in the lunchroom hooting and hollering, just as we did, about whether anyone at IBM—let alone Lou Gerstner—deserves a place on the list.

1. Bill Gates, Chairman and CEO, Microsoft Corp.

The mountain has come to Mohammed. Gates lifted his head from the sand in time to prove he really could leap to the top of the Internet business in a single bound. Now that he's turned his gaze to content, we'll see if he can turn Microsoft into the übermedia company.

2. Andy Grove, President and CEO, Intel Corp.

Grove has coached Intel into a league of its own. With Intel's market value topping $83 billion, it's hard to find any real competition for the microprocessor company. On top of that, Grove has the nerve to write a book about how paranoid he is.

3. John Doerr, Partner, Kleiner, Perkins, Caufield & Byers

Doerr is the Internet's sugar daddy. The companies he has kick-started and sits on the boards of comprise a who's who of Net newcomers, and he has opened KPCB's wallet for a $100 million Java fund. He also became the poster boy for those opposing shareholder-litigation legislation at the state and national levels.

4. Michael Eisner, Chairman and CEO, The Walt Disney Co.

Eisner has rebuilt Disney into the most prolific and highest-grossing studio in Hollywood, and kept mega-ego Michael Ovitz in check. Disney's acquisition of Cap Cities/ABC doesn't appear to have caused even minor financial indigestion—so far.

5. Larry Ellison, Chairman and CEO, Oracle Corp.

Envy him or mock him, but don't dismiss him. When Larry says "NC," the computer industry goes back to the drawing board. At least Ellison has the guts to take on the Sisyphean task of tackling Bill Gates with an unproved concept. Maybe his new stature as No. 5 on the Forbes 400 list helps.

6. Scott McNealy, President and CEO, Sun Microsystems Inc.

Recently married (and a father), McNealy has settled comfortably into his latest task: preserving Sun's workstation dominance and taking Java to new heights. Behind his loud-mouthed, frat-boy demeanor lies a highly competent exec with a leading company in the network age.

7. Jim Clark, Chairman, Netscape Communications Corp.

It takes a hell of a man to catch Bill Gates with his pants down. But the honeymoon's over, and Clark's Midas touch has put him squarely in Gates' rifle sights. He hasn't become gun-shy, though: In his newest venture, an online health care service, he'll face an entire industry of entrenched powers.

8. Jim Barksdale, CEO, Netscape Communications Corp.

OK, we know that Microsoft is catching up in the browser wars. Barksdale isn't cowed, but says Microsoft's apps business is a hungry "bulldog" that must be fed—at the expense of its Internet strategy. Instead, Netscape's going after a bigger bone: the intranet server market.

9. John Chambers, President and CEO, Cisco Systems

Chambers is on a buying spree (six companies this year, including $4 billion for StrataCom, with more on the way) to match escalating Internet demand. Chambers has used an easygoing style to manage disparate acquisitions and grow Cisco into a networking dominance on par with Intel's and Microsoft's control of their respective markets.

10. Reed Hundt, Chairman, Federal Communications Commission

Hundt is no paper pusher, and he's made it clear that fostering competition is his top priority. He managed to muzzle the screeches of the telecom industry's 300-pound gorillas—the RBOCs and the long-distance service providers—and pass the landmark Telecom Reform Act. Next battleground: Internet telephony.

11. Rupert Murdoch, Chairman and CEO, News Corp. Ltd.

Murdoch has more money and chutzpah than God—enough to buy up international media companies, launch digital broadcasting systems and 24-hour TV channels, control TV stations that reach 40 percent of American viewers, and top off a hard day's work by insulting Ted Turner's wife. And just when you thought he'd overextended News Corp.'s debt for the last time, he reels in MCI for a $2 billion cash fix.

12. Esther Dyson, President, EDventure Holdings

La Dyson is the highest-ranking member of the Upside Elite whose stature is based entirely on her ability to influence others with her ideas rather than directly control companies or huge amounts of capital. Dyson has defied the traditionally short pundit's life span (remember Will Zachmann?) with more than two decades of savvy technology analysis.

13. Nathan Myhrvold, Chief Technical Officer, Microsoft Corp.

Myhrvold is the man with the wrench, matching Gates' business vision with technical acumen. So good is he that Gates has now handed over much of the responsibility for converting Microsoft into a consumer products/media company to Myhrvold.

14. Louis Gerstner, Chairman and CEO, IBM Corp.

When Gerstner took the top spot at Big Blue, spectators griped that the ailing company needed a "visionary"—and he wasn't it. Maybe, but he's proved the naysayers wrong. IBM's Internet Products Division has taken it off the sidelines, and the company is growing once again.

15. Steve Ballmer, Executive Vice President, Microsoft Corp.

If Gates decides to stay home and play house husband for his new baby, Ballmer is the person most likely to succeed him. Ballmer's Tasmanian Devil routine keeps Microsoft in overdrive and his fortune boosted him to lucky No. 13 on the Forbes 400.

16. Rick Sherlund, Partner and Software Analyst, Goldman Sachs & Co.

Part Marlboro Man, part Wharton, Sherlund's longish, sandy-blond hair and geek glasses belie his power to cause investors to drop Microsoft and Oracle stock like hot branding irons.

Upside's Elite 100

17. Gil Amelio, Chairman and CEO, Apple Computer Inc.
The fate of the free computer world rests in Amelio's hands. Apple keeps Microsoft honest by providing an alternative, and Amelio has been charged with keeping his company alive. The word is Apple has turned the corner.

18. John Malone, President and CEO, Tele-Communications Inc.
Malone played mother-in-law to Time Warner's acquisition of Turner Broadcasting System, and he still keeps the cable giant's eyes on the Internet prize. That's plenty to offset industry snickering over @Home's impotency in launching residential cable-modem Internet access.

19. Masayoshi Son, President and CEO, Softbank Corp.
Son is buying everything that moves: new media ventures, old media ventures, trade shows, Internet-based companies. A 300-year plan for his company coupled with his aggressive "don't ask, don't tell" approach to debt management seems to indicate that the shopping spree is far from over.

20. Ann Winblad, General Partner, Hummer Winblad Venture Partners
Rumor has it that Winblad and Bill Gates used to read programming manuals together when they dated in the '70s. Winblad still does her homework and combines it with a sharp business sense that has made her one of the most successful software deal makers in Silicon Valley.

21. Paul Allen, Chairman, The Paul Allen Group
Cash is king, and despite some monstrously bad press (for kicking a kid's camp off his San Juan Islands property and for some terminally putrid business deals), Allen buys his way into some big deals and board positions.

22. Marc Andreessen, Senior Vice President of Technology, Netscape Communications Corp.
Andreessen, the epitome of nerd revenge, got his toes on the cover of *Time*. When he isn't doing doughnuts in Silicon Valley parking lots in his white Mercedes coupe, you can find him raving rapidly about intranets at important industry events.

23. Eckhard Pfeiffer, President and CEO, Compaq Computer Corp.
Pfeiffer has managed to squeeze profits out of a PC market where wafer-thin margins have left vendors begging for change on Wall Street corners, vaulting Compaq into the No. 3 computer manufacturer slot overall. His secret? Excruciating efficiency measures.

24. Lew Platt, Chairman & CEO, Hewlett-Packard Co.
Ask any Silicon Valley manager whose style they try to emulate, and the answer will invariably be Lew Platt's. HP's impressive (though not spectacular) growth, as well as its informal and goal-oriented management tradition, has flourished under Platt's watchful eye.

25. Gerald Levin, Chairman and CEO, Time Warner Inc.
You've got to give Levin credit for climbing out of bed in the morning. He has earned himself uncontested dibs on the most highly criticized CEO title by buying the Turner Broadcasting System for a bloated $7.5 billion. Still, he's at the helm of the largest and one of the most influential media companies in the world.

26. Robert Allen, Chairman and CEO, AT&T Corp.
His long-distance empire is being invaded by Huns, shareholders are getting grumpy, and he's just hired a right-hand man whose telecom experience consists of printing Yellow Pages. Right or wrong, Allen's actions reverberate throughout the industry.

27. Steve Case, Chairman and CEO, America Online Inc.
AOL's been mocked as the Internet for morons, but Case keeps raking them in. Rampant subscriber churn and new ground rules could snap AOL's revenue model like a twig—or vault Case into the Internet pantheon. With a decadent $300 million advertising budget slated for 1997, AOL's no motley fool.

28. Ray Smith, Chairman and CEO, Bell Atlantic Corp.
Smith knows when to fold 'em (TCI) and when to hold 'em (Nynex). He is the most creative and technologically savvy of the RBOC leaders, though admittedly the competition isn't fierce. The Bell Atlantic/Nynex merger is mired in red tape for now, but it will create the second-largest RBOC in the U.S.

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29. Herb Allen, President, Allen & Co. Inc.
Allen's good-ol'-boy retreats in Sun Valley, Idaho, are the backdrop for some of the most gigantic deals imaginable; chief among this year's slim pickings was Rupert Murdoch's purchase of New World Communications. Not quite as big as last year's Disney purchase of Cap Cities/ABC, but it'll do.

30. John Warnock, Cofounder, Chairman and CEO, Adobe Systems Inc.
Warnock is Adobe's technical guru and one of Silicon Valley's few genuinely nice CEOs. But Adobe's going to need some seriously aggressive business maneuvering to curb its dependence on the Mac and capitalize on new Internet opportunities.

31. Ted Turner, Vice Chairman, Time Warner Inc.
Turner sold Turner Broadcasting System, fired his son, made a financial killing and landed a vice chairman's position. Chances are, his ego won't fade into the background without a scrappy attempt at the top spot of what is now the world's biggest media/entertainment company.

32. Heidi Roizen, Vice President of Developer Relations, Apple Computer Inc.
Roizen's charged with rekindling the love connection between the Macintosh and its jilted software developers. It's going to take more than cheap perfume and chocolates to get the faithful back onboard, but many say if anyone can pull this caper off, it's Roizen.

33. Bill Lerach, Partner, Milberg, Weiss, Bershad, Hynes & Lerach
Lerach carts home $7 million a year from busting the chops of high-tech CEOs. His handshake with Clinton was followed by a presidential veto of the Securities Litigation Reform Act. Lerach led the Prop. 211 greedfest campaign, Silicon Valley's worst nightmare. Loathe him.

34. Eric Schmidt, Chief Technology Officer, Sun Microsystems Inc.
When Scott McNealy shoots off his mouth about network computing, it's up to Schmidt to make it so. He's busy digging McNealy out of the Internet/intranet-server hole as cheaper Microsoft NT servers make gains, and ensuring that the Internet won't take Java and run, leaving Sun behind.

35. David Geffen, Jeffrey Katzenberg and Steven Spielberg, Founders, Dreamworks SKG
They are the world's best at what they do. They just haven't done anything yet. Sure, get picky about the trio's plans to put out a smattering of games and edutainment titles. But competitors are quaking in their loafers in anticipation of what this holy entertainment trinity will produce.

36. Robert Wright, President and CEO, NBC
Who else has the clout to convince Americans to get their news from Microsoft? Wright jealously guards the "free TV" networks' turf from cable and telco interlopers unshackled by the Telecom Reform Act, but he has little to complain about with a string of successful shows such as "ER" and "Seinfeld."

37. Jerry Yang, Chief Yahoo, Yahoo Inc.
Yang went from Stanford's grad-student ghetto to one of the Internet's biggest branding successes. Despite growing financial losses, Yahoo has managed to steer clear of extinction as Yang attempts to wean the savages off soap operas and onto the Web with personalized and localized services.

38. David Chaum, Founder and Chairman, DigiCash BV
While you were busy reading glowing stories about the future of smart cards in your local daily, Chaum had already trademarked the moniker "e-cash" and was busy setting up digital money trials around the world. His cryptography expertise, patents and influence will keep him in the eye of the digital-cash craze.

39. Bernard Ebbers, President and CEO, LDDS WorldCom Inc.
In a market where the players' profits can be larger than the GDP of a small country, wildcatter Ebbers has superglued together a multibillion, cream-skimming telecom empire. The latest acquisition: MFS Communications, which earlier in the year gobbled up UUNet Technologies.

40. John Gage, Director, Science Office, Sun Microsystems Inc.
Gage is the quintessential "big idea" guy and Sun's emissary to the rest of the world. When he gets a bee in his bonnet about something—whether it's Sun-related or civic-minded like NetDay—he can usually make it happen, come hell or high water.

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41. Michael Bloomberg, Chairman and CEO, Bloomberg L.P.
A New Yorker through and through, Bloomberg nevertheless brings Silicon Valley's "no blood, no foul" entrepreneurial spirit to Wall Street with the latest technology innovations. Next year we'll see whether Bloomberg is worth his cuff links, as he tries to sashay his empire into the Internet space by dispersing Bloomberg's bundled content.

42. Newt Gingrich, Speaker, U.S. House of Representatives
With ethics charges nipping at his heels, Newt's popularity among the plebian hordes has nosedived, but he's well-liked in high-tech libertarian circles. For Internet free-speechers, Gingrich represents the Communications Decency Act's most high-profile opposition.

43. Ray Lane, President and COO, Oracle Systems Corp.
If Larry Ellison (the billionaire that Lane built) shaved his head and became a Buddhist monk, Ray Lane would keep running the company, just as he does today. Lane was only recently given the keys to the president's office, but he no doubt expects to inherit the CEO position—someday.

44. Steve Jobs, Chairman and CEO, Next Software and Pixar Animation Studios
Marriage and kids have produced a kinder and gentler Jobs, once the enfant terrible of the high-tech industry. Having been around a hell of a long time, he became a high-tech crossover hit when "Toy Story" boosted respect for the role of computers in filmmaking.

45. Chris Hassett, President and CEO, PointCast Inc.
Hassett was the first to recognize that the easiest way to help people navigate the Web is to send content directly to their computer screens. But holding onto his throne as the king of information push won't be so easy, as media giants begin to cut out the middleman.

46. David Beirne, Senior Partner, Ramsey/Beirne Associates
Headhunter to the stars, including Jim Barksdale of Netscape and Robert Herbold of Microsoft, Beirne's latest major coup was luring AT&T COO Alex Mandl to a startup (with a salary, bonus and stock-option package that could eventually be worth hundreds of millions of dollars, of which Beirne gets a hefty chunk).

47. Halsey Minor, CEO, Cnet: The Computer Network
In a time when publishing a Web 'zine entails hiring dozens of serfs, slapping up a site and bleeding cash, Minor has made Cnet an Internet staple. He's practical, too: Rather than spew out a new search engine like HotWired, he adopted all the existing ones.

48. Tim Berners-Lee, Director, W3 Consortium, Massachusetts Institute of Technology
Lofty job descriptions abound at MIT, and Berners-Lee's is no exception: He's been charged with helping the Web "realize its full potential" since hopping across the pond from Europe in 1994. He's credited with being the first person to "conceptualize" the Web.

49. Pam Edstrom, Principal, Waggener Edstrom
Pay serious attention to that woman behind the curtain. As Microsoft expands and devours new markets—especially the Internet, with its defiant, Microsoft-hating populace—PR queen Esdtrom will play a vital role in promoting Gates' visionary standing and the Justice Department's good faith.

50. George Gilder, President, Gilder Technology Group
You can't move in the high-tech industry without tripping over the mental meanderings of this prolific, right-wing cyber-prognosticator. Diehard fans read *Forbes ASAP* for installments of his forthcoming book on the future of telecommunications, *Telecosm*, which threatens to continue ad infinitum.

51. Stewart Alsop, Partner, New Enterprise Associates
Alsop has shed his killjoy throne for the greener pastures of venture capital. He's made a living inflicting his wrath on the best in the industry because they aren't better than they are. It remains to be seen whether his antagonism will lend itself to *Fortune*, where he's penning a new column.

52. Mary Meeker, PC Software and Hardware Analyst, Morgan Stanley
A key player in the Netscape IPO, Meeker, along with coauthor Chris DuPuy, is the first analyst to have a research report published in book form. *The Internet Report* (HarperCollins) is a veritable encyclopedia of the Internet, from "cool sites" lists to competitive analyses.

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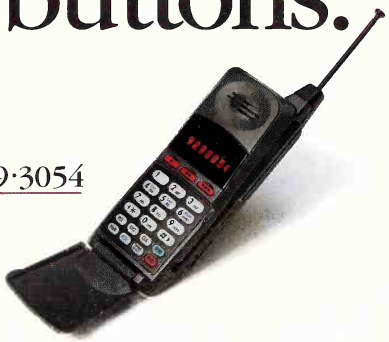

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Upside's Elite 100

53. Dan Lynch, Chairman, CyberCash Inc.
First he brought you Interop; now he's letting you blow your pocket change on the Net. Lynch is one of the kingpins of e-commerce, shaping the way the financial behemoths will hit the Net.

54. Irving Wladasky-Berger, General Manager, Internet Division, IBM Corp.
Not your typical Big Blue suit, Wladasky-Berger was brought in to maneuver the lumbering Winnebago of IBM bureaucracy through the speedy hairpin turns of Internet business cycles. IBM isn't a Ferarri Testarossa just yet, but Wladasky-Berger's steering may just bring some agility back to Armonk.

55. Carol Bartz, CEO and Chairman, Autodesk Inc.
Bartz is high tech's superwoman—without the spandex. Bartz leads a growing pack of high-tech female execs with the largest woman-run company in the business. Her sphere of influence includes Clinton's Export Council, boards from here to Timbuktu, and the Stanford Business School.

56. Gary Reback, Partner, Wilson, Sonsini, Goodrich and Rosati
Reback is the Anti-Gates of the legal world, a hopeful trustbuster living in a dark world in which Microsoft is Satan and publications as powerful as the *Wall Street Journal* are mere "middlemen" paid to do its bidding. Representing clients from Novell to Netscape, he manages to get the Department of Justice's ear.

57. Dirk Ziff and Robert Ziff, Cochairmen, Ziff Brothers Investments
Turning down daddy's publishing empire, the young brothers Ziff (Dirk is 32, Robert is 30) are using some of their proceeds from the Ziff-Davis sale to finance startups, including Diva Communications and NetGravity.

58. John Markoff, West Coast Correspondent, *New York Times*
Some refer to bad press in the *Times* as getting "Markoffed"—that's how influential he is. Even a positive story on Microsoft, delivered months after nearly identical stories in the trade press, can batter the stock of rival Netscape.

59. George Lucas, Chairman, Lucasfilm Ltd.
If anyone can get Hollywood to slobber more over Silicon-based digital innovations than over silicon breast implants, Lucas is the man. He has long been pushing the technology envelope in the movie business. With the release of the "Star Wars" prequel, we'll witness the power of his fully operational digital death star.

60. Jeff Berg, Chairman and CEO, International Creative Management (ICM)
When Michael Ovitz abandoned Creative Artists Agency for the Disney presidency in 1995, the media stopped caring where he takes his power breakfasts. Brainy Berg, known for pitting his agents against one another, stepped in to fill that power-broker vacuum.

61. Jonathan Feiber, General Partner, Mohr Davidow Ventures
A plucky youngster from Silicon Valley's Sand Hill Road, Feiber is one of the up-and-coming venture capital mafia. He has funded and is on the board of a half-dozen startups, including PointCast, CATS Software and Ipsilon.

62. Joseph Nacchio, President, Consumer Services Group, AT&T
Nacchio, who's been at AT&T for more than 25 years, is the hit man muscling in on the Baby Bells' territory. He vows he'll do whatever it takes to build AT&T's market share, but will the telecom giant be able to keep him on its side?

63. Stan Shih, Chairman and CEO, The Acer Group
He doesn't have an Asian dynasty pedigree, but that hasn't hindered Acer's growth, and it's now among the top five PC vendors worldwide. Shih has sculpted a manufacturing process that is both unique and efficient, and melded the cultures of his Taiwan-based company and its U.S. subsidiary with a skilled hand.

64. Cristina Morgan, Managing Director, Hambrecht & Quist
Morgan's not afraid to call the bluff of the Internet hypsters. As head of investment-banking activities, Morgan taps H&Q's finest for public offerings and was one of the first people to publicly slam the Great Internet IPO Overhype.

Breakthrough technology deserves financial thinking to match.

$44,000,000 INDUSTRI-MATEMATIK Initial Public Offering September 1996	$14,400,000 CONNECT Initial Public Offering August 1996	$1,150,900,000 MFS Follow-On Common Stock Offering July 1996	$50,300,000 proxim Follow-On Common Stock Offering July 1996	$102,500,000 WindRiver Follow-On Common Stock Offering July 1996
$36,000,000 Farallon Initial Public Offering June 1996	$16,500,000 ArrayComm, Incorporated Private Placement April 1996	$104,000,000 DSPC DSP Communications Follow-On Common Stock Offering April 1996	$50,600,000 Initial Public Offering April 1996	$239,700,000 Baan Follow-On Common Stock Offering March 1996
$150,300,000 GT Interactive Software Initial Public Offering December 1995	$36,000,000 ADVANCED ENERGY Initial Public Offering November 1995	$67,300,000 GEOWORKS Follow-On Common Stock Offering November 1995	$49,700,000 INSIGNIA SOLUTIONS Initial Public Offering November 1995	$33,100,000 SCOPUS Initial Public Offering November 1995
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65. Sherry Lansing, Chairman, Motion Picture Group, Paramount Pictures

All the boys' money can't buy a star on the Hollywood Walk of Fame, which Lansing has in the bag—along with two consecutive Best Picture Oscars while head of Paramount Studios. Never underestimate the power of Beavis and Butthead.

66. Chip Morris, Manager, T. Rowe Price Science and Technology Fund

The recent rise of mutual funds as a "safer" way for individuals to play the stock market has propelled fund managers to new heights of fame. Morris, who heads one of the largest and most successful funds, discovers high-tech stocks whose growth matches the hype.

67. Frank Quattrone, CEO, Technology Group, Deutsche Morgan Grenfell

Shaq went to L.A. and Frank Quattrone went to DMG. Talk about slam-dunking a serious signing fee ... Silicon Valley's premier free agent left Morgan Stanley looking like a doughnut—without a center—and recruited a venture capital Dream Team for the new DeutscheBank undertaking.

68. Linda Stone, Director, Virtual Worlds Group, Microsoft

If cyberspace were the Love Boat, Linda would be the cruise-ship social director/hostess-with-the-mostest. A friendly Microsoft face, she brings together artists and programmers to create technology that enhances human interaction on the Net. So far, her group has produced two chat services.

69. Roger McNamee, General Partner, Integral Capital Partners

McNamee is a venture capitalist in engineer's clothing. Breaking the spreadsheet-jockey mold, he's one of the few high-tech VCs who not only "gets" the technology but likes it, roaming the conference floors and actually reading the trades.

70. Pat McGovern, Founder and Chairman, International Data Group

You may not remember life before the Internet, but McGovern's been publishing computer rags since the '50s. Like an old Irish sailor, he's sailed the choppy seas of the IT industry at the helm of IDG, steering his company to revenues of $1.4 billion last year.

71. Sherry Turkle, Professor of Sociology of Science, Massachusetts Institute of Technology

Turkle likes to get inside the heads of chronic Web surfers for a glimpse of what makes Net nuts tick. Her sociological approach to Internet-discourse analysis is gospel to executives who want to understand the patterns and habits of technology adopters.

72. Bill Joy, Cofounder and Vice President of Research, Sun Microsystems Inc.

The second coming of Joy brought the world Java last year. Now, as the entire software industry bends under the anticipation and expectations of Java's potential, Joy decides which parts of Java will reach developers and when.

73. Bill Gross, Chairman and Founder, Knowledge Adventure

The Henry Ford of startup creation, Gross founded Idealab to mass-produce fledgling companies. With a flowchart to map corporate development, Gross has nearly 20 companies incubating, including the CitySearch regional information venture.

74. Geoff Moore, President and Founder, The Chasm Group

When high-tech execs need help positioning their companies to take advantage of the new paradigms they've created, they turn to Moore. His books, *Crossing the Chasm* and *Inside the Tornado*, have become bibles of sorts for the heavies he advises.

75. Michael Milken, Felon/M & A Advisor

Call him a junk-bond robber baron or a financial innovator, but Milken was rustling up cash for shaky technology and media companies when unadventurous East Coast investors were still stuck in the Industrial Age. Nannygate's Kimba Wood felled the westward giant for a while, but he's served his time. Now he's back to pick the next market-altering trends.

76. David Gardner and Tom Gardner, Directors, America Online's Motley Fool

Wall Street can no longer claim a monopoly on rumor mongering and opinion making, thanks to the Gardner brothers. Anonymous, bearish postings to a Motley Fool Iomega forum in late 1995 caused a furor among bullish investors. The SEC is still trying to figure that one out.

Where in Europe will you find America's best electronics companies?

Silicon Glen, Scotland.

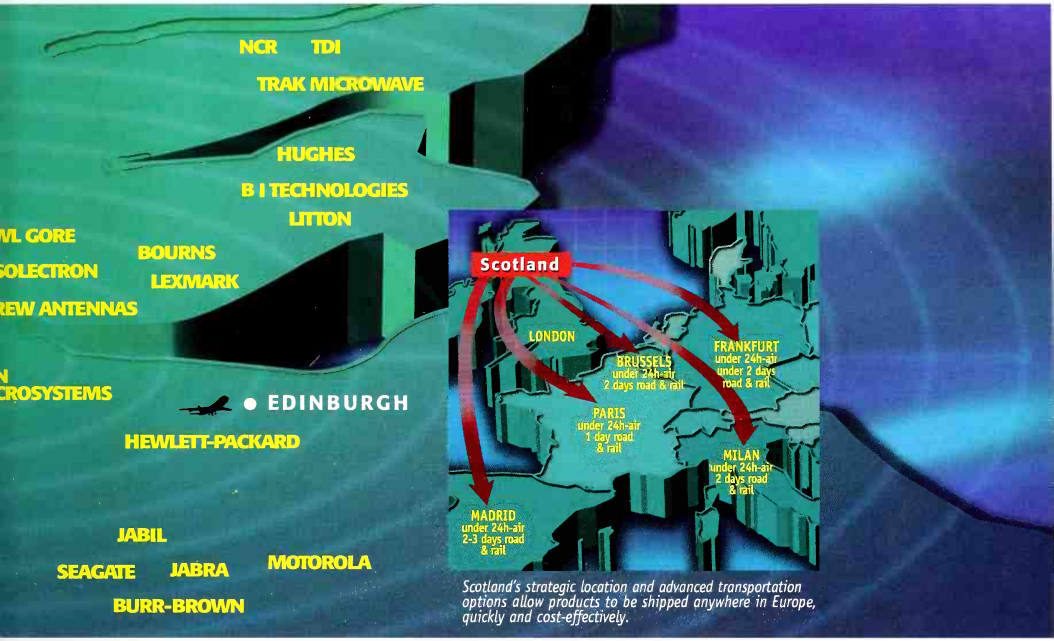
Silicon Glen is a 100-mile business corridor in Central Scotland that is home to US electronics companies, large and small. The area earned its nickname for its remarkable parallels to Silicon Valley. Today, it's the most advanced electronics infrastructure in Europe with excellent proximity to market and a well-educated workforce.

A world-class electronics infrastructure.

Everything your company needs is in place in Scotland – manufacturing equipment, raw materials, components and more. Scottish suppliers adhere to tight delivery schedules, too. According to Ian Crawford, IBM's Greenock Site Director, "The Scottish electronics infrastructure is outstanding. A significant proportion of our procurement is done locally, working closely with a wide range of suppliers. Ultimately, this means a stronger, more competitive IBM in the European, Middle Eastern and African markets we serve."

An ample supply of skilled labor.

Chris Galvin, President and COO of Motorola, cites Scotland's highly skilled workers as one reason for his company's success. "The technology



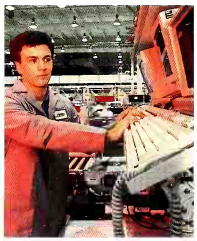
Scotland's strategic location and advanced transportation options allow products to be shipped anywhere in Europe, quickly and cost-effectively.

and expertise of the people in Scotland mean we can look forward to a marvelous future here."

Scotland is also working to ensure that future includes a good selection of recruits. Each year, Scottish universities and technical schools turn out thousands of graduates, with 50% holding electronics-related degrees.

Excellent access to global markets.

Exports from Scotland are up 30% in the last two years. And for good reason. Scotland's advanced network of rail, highway, air and sea links speeds products to destinations, worldwide. Europe's 600,000-mile rail system is accessed non-stop, right from the Channel Tunnel. According to



Jim Gaza, President of International Components Corporation in Chicago, "Our main reason for going to Scotland is to serve the rest of Europe. With the Channel Tunnel, we can have products trucked to Nuremberg or Milan in two days."

Growing companies enjoy big advantages, too.

You don't have to be an electronics giant for Scotland to welcome you like one. Simple Technology chose Scotland as its headquarters to serve its growing memory upgrade and PC Card business. Carl Swartz, VP of Strategic Planning

explains. "Locate in Scotland's highly professional staff made the decision process far easier. They helped us to see several potential manufacturing sites and identify senior management candidates. They even coordinated our introduction to potential customers and business partners."

Let Locate in Scotland assemble a comprehensive package for you.

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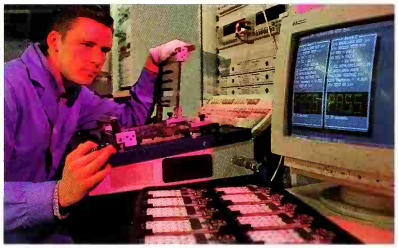

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A FEW QUICK FACTS ABOU

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Seven of the top ten information systems companies are in Scotland.

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77. Jim Breyer, Managing General Partner, Accel Partners

Breyer's networking specialty keeps his venture capital firm on top of the Internet space. Big partnerships he's responsible for include Centillion and Bay Networks, Centrum and 3Com, and Collabra and Netscape.

78. Richard Shaffer, Principal, Technologic Partners

Technologic sponsors some of the industry's hottest events, where private companies cruise the catwalk to impress venture capitalists and investment bankers. The conferences may have lost some of their buzz lately, but they're still the place to find the next hot IPO. Shaffer also heads a newsletter with uncommon insight.

79. Mory Ejabat, President and CEO, Ascend Communications Inc.

Ascend's stock has shot up so high so fast—with triple-digit increases—Ejabat has a permanent nosebleed. With Ascend's products tapped by both US West and Bell Atlantic, Ejabat's not likely to float back to earth anytime soon.

80. Pattie Maes, Assistant Professor, MIT Media Laboratory, and Cofounder, Firefly

A pioneer in intelligent-agent technology, Maes began at MIT's Artificial Intelligence Lab but later defected to Nicholas Negroponte's younger, hipper Media Lab, which spun Firefly out of her work. Firefly is now the agent company with whom everybody wants to partner.

81. Tom Proulx, Cofounder, Intuit Inc. and Cochairman, Taxpayers Against Frivolous Lawsuits

Tom Proulx is trying to save your shirt from the snapping jaws of shareholder lawsuits. Not content to rest on Quicken's laurels, Proulx is in attack mode against the vicious beast that is an unchecked legal profession—he's fund-raising, petitioning and campaigning the hell out of tort reform.

82. Danny Hillis, Vice President of Research and Development, The Walt Disney Co.

Hillis cofounded Thinking Machines, where he designed the massively parallel "connection machine." He later left the company, but not before making a name as one of the computer industry's deep thinkers. He's now navel-gazing for Disney.

83. Robert Metcalfe, Columnist, InfoWorld Publishing Company

Metcalfe roped in this year's IEEE Medal of Honor—essentially, electrical engineering's Nobel Prize—for his invention of Ethernet. He has turned to column writing, making a splash playing the Net's Chicken Little ("The Internet is crashing!").

84. Jeff Bezos, Founder and CEO, Amazon.com

Look Ma, no inventory! Bezos left Wall Street to found his Seattle startup in 1994, and hasn't looked back since. Selling books from a Web site may not be much more than sophisticated mail order, but it's Internet commerce that works.

85. Kim Edwards, President and CEO, Iomega Corp.

Edwards pulled Iomega out of its slump and achieved a rare takeoff of a new technology and format. His company stole the personal-storage market out from under SyQuest's nose in 1996, selling more than 1 million Zip drives in less than a year.

86. Walter Mossberg, Columnist, *Wall Street Journal*

Masquerading as a friendly advice column for end users, Mossberg's weekly Personal Technology column is one of the first places product managers should look after launch to see if they'll still have a job the next morning.

87. Michael Stonebraker, Vice President and CTO, Informix Software Inc., and Professor, U.C. Berkeley

Computer-science professor Stonebraker is the father of the relational-database industry; he recently gave Informix a new lease on life when it bought his latest startup, Illustra Information Technologies. Stonebraker's universal server (don't tell Oracle we called it that) stores and sorts multimedia content.

88. Paul Saffo, Director, Institute for the Future

A who's who list of business leaders makes regular pilgrimages to the institute's door seeking answers from this guru of new information technologies. But Saffo's feet are planted firmly on terra firma when he analyzes the impact of new products and technologies—not just on the business community, but on society as a whole.

Upside's Elite 100

89. Rob Glaser, CEO and founder, Progressive Networks Inc.

Glaser recognized the opportunity for then-untapped sound technologies on the Web, plastered the RealAudio name on any Web site and client worth its multimedia status, and captured the Internet sound market before competitors got a chance to put an ear in the door.

90. Brenda Laurel, Researcher, Interval Research Corp.

In the '70s, Laurel leaped from theater to computer-game design; today she's still taking intellectual leaps in her work on human-machine interface design, virtual reality and intelligent agents. Interval may be a money sink for Paul Allen, but Laurel does valuable work, consistently bringing a humanistic approach to virtual environments.

91. Eric Benhamou, Chairman, President and CEO, 3Com Corp.

The thorn in Cisco's paw, 3Com's soft-spoken leader has single-handedly kept 3Com in the networking game through savvy acquisitions, preventing his chief rival from developing a Microsoft/Intel-like monopolistic dominance.

92. Kevin Kelly, Executive Editor, *Wired*

We're still not sure who anointed *Wired* the official magazine of the digital revolution, but the loudest magazine of the '90s owes its inspiration to Kelly, a born-again Christian and hawker for Absolut Vodka. His far-flung ideas, many of which revolve around the increasingly biological nature of technology, are a *Wired* staple.

93. Pam Alexander, President and Founder, Alexander Communications Inc.

Alexander is not an object at rest. Her almost-frantic pace has allowed her to dodge highly padded corporate PR accounts for a vibrant group of small emerging clients. Plus, Alexander channels that hustle into actual account work, rather than just snatching accounts for her minions to execute.

94. Les Alberthal, President and CEO, Electronic Data Systems Corp.

Want to run an airline but recoil in horror at the thought of installing and maintaining a reservations system? Call EDS. Alberthal freed EDS from its General Motors prison and pushed its one-stop-shopping approach to the leading edge of information system services.

95. Michael Slater, Publisher, *Microprocessor Report*

When Slater speaks, the microprocessor world listens. An engineer with real opinions and knowledgeable sources, Slater is the most well-respected technical analyst in semiconductors, although his newsletter did start that rumor about downloadable microcode in Intel chips.

96. Andrew Klein, Founder and President, Wit Capital Corp.

Klein brewed up a storm when he put his Spring Street Brewing Co. prospectus on the Net. Now he's started Wit Capital to help companies do direct Internet IPOs and bypass brokers' fees—an idea that tastes great but is less filling. All he's missing is the end product.

97. Stewart Brand, Cofounder, Global Business Network

Brand, who started the *Whole Earth Catalog*, brings black turtlenecks and berets to Net consulting. His high-tech consulting troupe—count in Esther Dyson, Doug Carlston and Danny Hillis—tosses around big ideas on sponsor-selected topics. Brand continues to anticipate society's acceptance of technology.

98. Michael Dell, Chairman and CEO, Dell Computer Corp.

After a nasty bout of retail sickness, a healthier, more mature Dell (the company) has emerged along with a happier, more mature Dell (the CEO). The company has moved back to its direct-mail roots and is once again at the top of the PC business.

99. Allee Willis, Partner, Willisville

And you thought the "Friends" theme song was catchy; wait until a more recent Willis creation hits the Net. Her on-line community, Willisville, is anticipated to take the yawn out of multimedia. Willisville has already caught the eye of Intel, which may or may not be backing it.

100. Brewster Kahle, President, Internet Archives

The Internet of today may be chock-full of useless bits, but to archeologists of the future it will provide a wealth of information, thanks to Kahle, another Thinking Machines alum and an early developer of Internet publishing technology. It's a messy job, but somebody's got to do it. ■

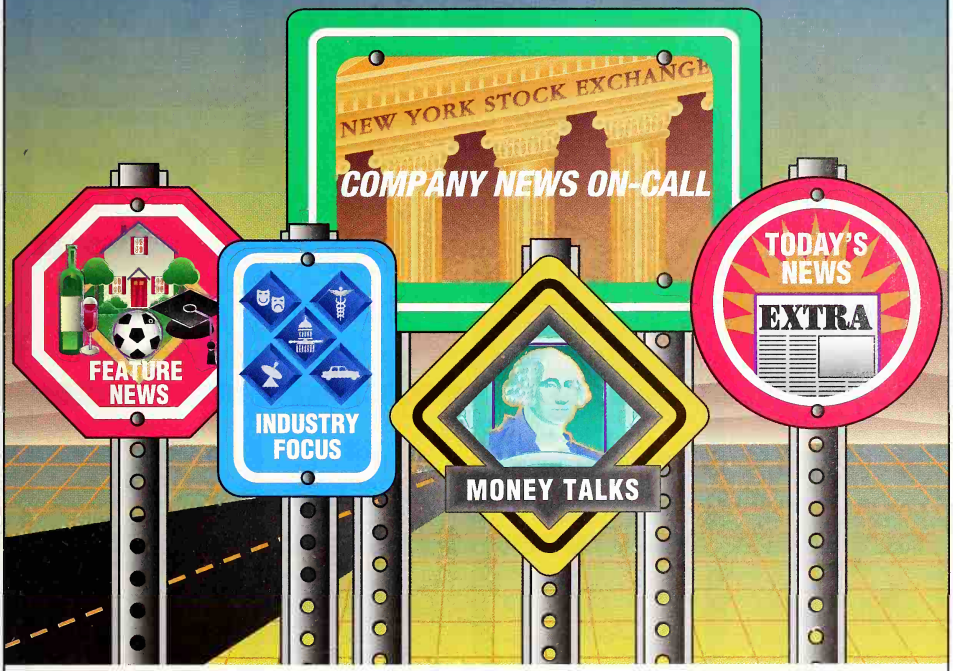
Tish Williams and Kora McNaughton are assistant editors of UPSIDE.

"A great source of business news."

Gary Welz
Internet World

"A good place to see what's on the front burner at the companies and industries you watch."

Worth magazine



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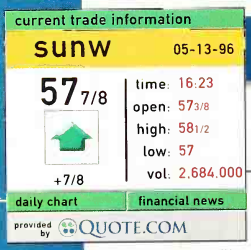

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Departure by Sears Signals Change in On-Line Industry

Continued From First Business Page

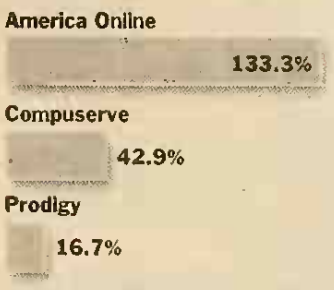
munications Inc., a research company specializing in Internet and on-line businesses. "The breakneck pace of innovation will lead to lower prices and more variety."

And what happens if your on-line company should change owners or disappear altogether? "I don't think users should concern themselves with the business tribulations of these companies," Mr. Schoenfeld said. "If your company goes out of the business, there are plenty of others waiting to take you."

But certainly, the on-line lineup is in flux. Since the beginning of this year, Rupert Murdoch's News Corporation has effectively shelved what was left of the former Delphi on-line service; AT&T has pulled the plug on its Interchange Network; the General Electric Company has unloaded its Genie service; Apple Computer Inc. said it was re-evaluating its support for eWorld, and the Microsoft Corporation told developers of information services for its Microsoft Network to redirect their efforts and create offerings for the World Wide Web.

Falling Behind

Neither Compuserve nor Prodigy has been able to match America Online's growth. Percentage increase in the number of subscribers for the nine months ended Sept. 1995.



Source: Information Report/ SIMBA Information Inc

The New York Times

Analysts cite a variety of reasons for the tumult, including intense competition, the high cost of development, competition from Internet access providers who bypass consumer services like Prodigy and America Online, and recent passage of the Telecommunications Act of 1996.

"It's not a coincidence that these announcements happened right after the passage of the telecom bill," said Rod Kuckro, editor of the Information & Interactive Services Report, a newsletter based in Washington. "It gave a lot of companies the ability to start planning for the future in the new environment."

The Telecommunications Act, recently signed by President Clinton, allows the big telephone and communications companies to expand beyond their traditional businesses and begin developing their own on-line information services.

"It's cheaper to buy a system with established customers than it is to build one from scratch, and the only companies that can afford to buy a stake in these on-line services and develop their infrastructure are the big telecom companies," Mr. Kuckro said.

Mr. Kuckro also noted the attractive demographic profiles of on-line service subscribers, who tend to be affluent and well-educated, the kind of people who are likely to buy advanced telecommunications services.

AT&T has been rumored as a possible buyer of Sears's share of Prodigy.

"Prodigy does not fit into Sears's long-term strategy for growth," Arthur C. Martinez, chairman and chief executive of the world's second-largest retailer, told financial analysts in New York yesterday.

Executives from both Sears and I.B.M. praised the evolution of Prodigy under its chief executive, Edward Bennett, a former cable TV executive at Viacom Inc. who was hired last year by Prodigy. Mr. Bennett made Prodigy the first of the big on-line services to offer its subscribers access to the Internet and the World Wide Web, an Internet service that reduces formerly complex computer commands to a point-and-click navigational system.

Since 1993, when the Internet's World Wide Web service suddenly became popular, analysts have been suggesting that the wide-open, global Web would overtake and overwhelm the smaller, proprietary services like Compuserve and Prodigy. The consumer services differ from the Internet in that they require special software, unique to each service, to tap into that service's private data bases of news, features, discussion groups and other on-line offerings.

Even with the Web, though, many analysts say the Internet is still too difficult to use. Services like Prodigy, Compuserve and America Online hide the Internet's complexity behind their own, easy-to-use software and back it with customer support systems that the Internet lacks.

"We remain convinced that the most compelling choice for the mass market consumer is still on-line services," Brian C. Oakes, an analyst with J. P. Morgan Securities Inc., wrote to investors last month.

Sears's decision to sell Prodigy may be partly to capitalize on the potentially high value that an on-line system might command in the marketplace today. It is also, however, the culmination of a three-year program to return to its retailing roots. Sears has already spun off Allstate and Dean Witter Discover & Company, its former insurance and financial services subsidiaries, and even sold the Sears Tower building in Chicago. Selling Prodigy is the last step in that process.

In a three-hour meeting with industry analysts, Mr. Martinez did not make a single reference to electronic commerce, which many companies believe is going to emerge as a multibillion-dollar business by the end of the decade. Mr. Martinez said that he had concluded that Sears could better spend its capital on revamping its traditional mall-based stores.

But speaking to reporters afterward, Mr. Martinez said that if Sears were to become involved in selling over the Internet, it would be better for the company not to be tied to a single service like Prodigy.

Sears, like H & R Block, may also be eager to unload its on-line venture in what has become an increasingly hostile legal environment. Prodigy was sued for $200 million last year by a Long Island investment bank that accused it of libel, based on comments posted on the service by a subscriber. The suit was dropped, but a judge left open the question of whether Prodigy was liable in any future cases.

Sears Moves To Shed Stake In Prodigy

The On-Line Business Is Taking a New Shape

By PETER H. LEWIS

And now it is Prodigy's turn.

In the latest sign of upheaval in the computer on-line industry, Prodigy Services, the nation's third-largest consumer on-line information service was put up for sale yesterday — at least the half that is owned by Sears, Roebuck & Company. I.B.M., Sears's longtime partner in Prodigy, declined to comment on its own plans for the service, which has 1.7 million subscribers.

Sears's move came just a day after H & R Block Inc. announced it planned to spin off its Compuserve division, the second-largest service.

It might seem odd that these market leaders would want to leave the field, in light of phenomenal growth that saw total on-line subscribers in the United States nearly double last year, to 11.3 million. But with the market booming, analysts say, now may be the best time to sell out for companies not fully committed to the increasingly competitive and volatile business of putting consumers in cyberspace.

Sears, which analysts say had pumped about $600 million into Prodigy, indicated yesterday that it remained a retailer first and foremost, and H & R Block said on Tuesday that it wanted to focus on its tax-return business.

America Online Inc., the country's largest on-line service with more than five million subscribers, has no other lines of business. But even it has been forced to scramble full-time to keep up with the needs of increasingly sophisticated, ever more demanding consumers. Among other changes, America Online recently set up a separate company to provide direct connections to the global Internet for subscribers who choose to bypass America Online's own, proprietary lineup of information and entertainment services, discussion groups and other offerings. As hardly a week goes by without a new alliance, acquisition or rumor of yet another change in the on-line industry, analysts acknowledge that the millions of Americans with computers and modems could become confused. But the upheaval, driven by competition, will ultimately be good for consumers, many analysts say.

"There's an ever-increasing number of options for consumers, in both the on-line services and the Internet," said Adam Schoenfeld, vice president of Jupiter Com-

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